



Missouri Department of Natural Resources

AGENDA

Missouri Soil and Water Districts Commission
Big River Watershed
March 20-21, 2012

CLOSED SESSION

MARCH 20th 7 p.m. – 9 p.m.

**Crown Pionte Lodge
Farmington
Conference room**

A. CALL TO ORDER

B. CLOSED SESSION Pursuant to § 610.021(1) to discuss legal, confidential, or privileged matters; §610.021 (17) to discuss audit issues.

C. ADJOURNMENT

MARCH 21st 8:30 a.m. – 2 p.m.

**Mineral Area College
Park Hills
North College Center**

A. CALL TO ORDER

B. MINUTES OF THE PREVIOUS MEETING

1. January 11, 2012 Open Session minutes
2. January 11, 2012 Closed Session minutes
3. February 10, 2012 Open Session minutes
4. March 9, 2012 Open Session minutes

**C. STATUS UPDATE ON THE ROLES & RESPONSIBILITIES
FROM ATTORNEY GENERAL'S OFFICE**

D. DEPARTMENT OF NATURAL RESOURCES

1. Our Missouri Waters Presentations – **Darrick Steen**
2. Special Recognition – **Dru Buntin**
3. Completed State Audit Report of the Soil and Water Conservation Program –
Bill Wilson
4. Proposed FY 2013 Soil and Water Conservation Program Budget –
Bill Wilson

E. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS

1. Missouri River Basin Initiative Update – **Steve Walker**
2. FY 2012 Cost-Share/SALT Fund Status – **April Brandt**
3. FY 2012 Second Additional Supplemental Cost-Share Allocation Summary – **Katy Holmer**
4. FY 2013 SALT Cost-Share Advanced Allocation – **Katy Holmer**
5. Environmental Quality Incentive Program – Cover Crop Practice– **Jeremia Markway**
6. FY 2013 District Grants Review – **Jim Boschert**
 - a. Reimbursement of Professional Accounting Services
 - b. Information Education Grant Review

F. REQUESTS

1. **Supervisor Appointments**
 - a. Chariton SWCD – **Jim Plassmeyer**
2. University of Missouri Cover Crop Research Project - **Jeremia Markway**
3. Chariton SWCD – FY 2013 Fund Request for Cover Crop Pilot Project – **Jeremia Markway**
4. Dunklin SWCD – Variance for Practices Completed Prior to Board Approval **April Brandt**
5. Natural Disaster Assessment Update – **Kurt Boeckmann**
 - a. Dunklin SWCD
 - b. Adair SWCD

G. REPORTS

1. **NRCS**
2. **MASWCD**
3. **Department of Conservation**
4. **Department of Agriculture**

H. PUBLIC COMMENTS

I. ADJOURNMENT

Those wishing to address the commission on any of the above issues need to contact a program staff member, Christa Moody or sign up on the comment card at the commission meeting.

If you have any questions regarding this meeting, special accommodation needs, or would like a copy of any material provided at the commission meeting, please contact Christa Moody at 573-751-1172.

Soil & Water Districts Commission may go into closed session at this meeting if such action is approved by a majority vote of the commission members who constitute a quorum to

discuss legal, confidential, or privileged matters under § 610.021(1), RSMo 2000; personnel actions under §610.021(3); personnel records or applications under §610.021(13), records under § 610.021(14), or audit issues under § 610.021(17), which are otherwise protected from disclosure by law.



Missouri Department of Natural Resources

DRAFT MINUTES

MISSOURI SOIL AND WATER DISTRICTS COMMISSION

DNR Conference Center

Jefferson City, Missouri

January 11, 2012

COMMISSION MEMBERS PRESENT: Charles Ausfahl, Kathryn Braden, Thomas Bradley, Richard Fordyce and Gary Vandiver

EX-OFFICIO MEMBERS: JON HAGLER, DEPT. OF AGRICULTURE: Judy Grundler; BOB ZIEHMER, DEPT. OF CONSERVATION: Clint Dalbom; SARA PARKER PAULEY, DEPT. OF NATURAL RESOURCES: Dru Buntin;

ADVISORY MEMBERS PRESENT: SOIL & WATER CONSERVATION PROGRAM: Colleen Meredith; MASWCD: Kenny Lovelace; NRCS: J.R. Flores

STAFF MEMBERS PRESENT: Jim Boschert, April Brandt, Kerry Cordray, Alan Freeman, Jesse Higginbotham, Jennifer Johnson, Katy Holmer, Jeremia Markway, Christa Moody, Theresa Mueller, Jennifer Pellett, James Plassmeyer, Josh Poynor, Jeremy Redden, Judy Stinson, Ken Struempf, Leon Thompson, Bill Wilson, Colette Weckenborg, Bryan Hopkins,

OTHERS PRESENT: DISTRICTS: Cole: Peggy Lemons; Holt: Bruce Biermann Howard: Bev Dometroch; Jefferson: George Engelbach; Maries: Amy Neier; St. Charles: Theresa Dunlap, Frankie Coleman; MISSOURI FARM BUREAU: Kelly Smith; DEPARTMENT OF NATURAL RESOURCES: Van Beydler, Darrick Steen; ATTORNEY OF GENERAL'S OFFICE: Tim Duggan; INTERNAL AUDIT: Mary Dallas; MSWCDEA: Sandy Hutchison; MLICA: Jeff Lance; NRCS: Glen Davis, Dick Purcell

A. CALL TO ORDER

Chairman Richard Fordyce called the meeting to order in Jefferson City, Missouri, at the DNR Conference Center at 8:36 am. Poll of commission members was taken: Richard Fordyce, Kathryn Braden, Gary Vandiver, Charles Ausfahl and Thomas Bradley were present, which made a quorum.

B. CLOSED SESSION

Kathryn Braden made a motion to go into closed session at 8:37 am, pursuant to § 610.021(1) to discuss legal, confidential, or privileged matters; §610.021 (17) to discuss audit issues, and personnel actions under §610.021(3). Charles Ausfahl seconded the motion. A poll vote was taken. Gary Vandiver, Richard Fordyce, Thomas Bradley,

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Charles Ausfahl and Kathryn Braden voted in favor of the motion and the motion passed unanimously.

Kathryn Braden made a motion to go back into open session at 10:35 am. Charles Ausfahl seconded the motion. A poll vote was taken. Thomas Bradley, Gary Vandiver, Richard Fordyce, Charles Ausfahl and Kathryn Braden voted in favor of the motion and the motion passed unanimously.

C. MINUTES OF THE LAST MEETING

1. November 28, 2011 Open session minutes

Gary Vandiver made a motion to approve the minutes of the November 28, 2011 commission meeting. Kathryn Braden seconded the motion. When asked by the chair, Charles Ausfahl, Thomas Bradley, Gary Vandiver, Richard Fordyce and Kathryn Braden voted in favor of the motion and the motion carried unanimously.

2. November 28, 2011 Closed Session minutes

Kathryn Braden made a motion to approve the closed minutes of the November 28, 2011 Commission meeting. Gary Vandiver seconded the motion. When asked by the chair, Gary Vandiver, Richard Fordyce, Charles Ausfahl, Kathryn Braden and Thomas Bradley voted in favor on the motion and the motion carried unanimously.

D. MISSOURI DEPARTMENT OF NATURAL RESOURCES

1. Our Missouri Waters Initiative

Darrick Steen presented Our Missouri Waters Initiative (OMW) to the Commission. OMW is an innovative statewide policy initiative that will allow the department to provide a coordinated, holistic approach to watershed management by targeting resources at a watershed level. The basis of targeting watersheds has several reasons: Missouri's landscape and culture is diverse and unique; to gain efficiency in the department by being more effective with department funds; and to lead to great awareness and support from the public.

Darrick Steen noted the key approach will be viewing, monitoring, analyzing and managing our water resources at a watershed level. Goals of the initiative: Organize and coordinate all department resources related to water resource issues at the watershed scale; create opportunities for watershed level stakeholder input, education and idea sharing; identify watershed priorities through stakeholder-driven forums and develop recommendations to address key priorities; evaluate alternatives that will increase efficiency and the delivery of services to the state; and assigning a local Department of Natural Resources Watershed coordinator.

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The first phase of this initiative is the pilot phase to develop and refine the framework with help from stake holders for watershed based management. Also three pilot watersheds will be used to learn and evaluate the feasibility of many of the concepts of watershed based management. This includes developing and implementing an effective stakeholder outreach plan and engaging the local communities.

The three pilots include Big, Spring, and Lower Grand river watersheds due to a variety of parameters: diversity, potential opportunities, and pre-existing stakeholder groups and partnerships. An external Watershed Advisory Committee has been set up. They will advise and provide feedback to the department on strategic direction and priorities.

Darrick Steen also stated that the Our Missouri Waters Initiative has just started. There are still many things being worked out. The challenge will be creating a sustainable system, getting it implemented, and creating a more effective and efficient way to manage our water resources.

Richard Fordyce requested updates on the status of Our Missouri Waters Initiative.

2. Appointment – Soil and Water Conservation Program Director

Dru Buntin presented for consideration the appointment of Colleen Meredith as Soil and Water Conservation Program Director. After discussion Kathryn Braden made a motion to approve Colleen Meredith's appointment as Program Director. Thomas Bradley seconded the motion. When asked by the chair, Gary Vandiver, Richard Fordyce, Charles Ausfahl, Kathryn Braden and Thomas Bradley voted in favor on the motion and the motion carried unanimously. The commission requested that Colleen Meredith, as the new Soil and Water Conservation Program Director, create a plan for the future for the program. Colleen Meredith noted it would be a joint effort with all parties involved to create a plan for the future for success of the program.

3. Election of Commission Chair and Vice-Chair

Dru Buntin opened the floor for nominations for the position of chair of the commission. Gary Vandiver nominated Richard Fordyce. Kathryn Braden seconded the nomination. A poll vote was taken. Charles Ausfahl, Kathryn Braden, Thomas Bradley, and Gary Vandiver voted in favor on the motion and the motion carried unanimously.

Dru Buntin opened the floor for nominations for the position of vice-chair of the commission. Kathryn Braden nominated Gary Vandiver. Thomas Bradley seconded the nomination. A poll vote was taken. Kathryn Braden, Thomas Bradley, Richard Fordyce, and Charles Ausfahl voted in favor on the motion and the motion carried unanimously.

E. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS

1. Update on Targeted Watershed Projects

Colleen Meredith presented the Targeted Watershed Project update. There is a targeted watershed effort between the Soil and Water Conservation Program and the Water Protection Program in the North Fork Spring River in Barton and Jasper counties and Black Creek in Shelby county. She went over the history of the project and that the watershed management planning process has begun. A few considerations for evaluating future funding for the project will be: landowner interest; monitoring/modeling results; watershed planning; and partnering interest.

2. WQ10 Stream Protection Training

Katy Holmer presented a summary of the WQ10 stream protection policy training update. After the commission approved the revised WQ10 stream protection policy at the May 2011 meeting, the special projects unit provided seven regional trainings for district and partner agency staff. A total of one hundred and sixteen district, NRCS, and Department of Conservation employees were in attendance, with sixty-eight districts participating.

With approval of the revised WQ10 policy at the May meeting, the commission gave the program the flexibility to make clarifications to the policy after reviewing with districts. Due to feedback from the districts, there were minor changes in policy implementation made. These changes are reflected in the 2012 Cost-Share Handbook.

3. Technician II – Certified Conservation Planner Training

Jeremia Markway presented for consideration the Technician II Certified Conservation Planner Training update. Certified Conservation Planner training is an Natural Resources Conservation Service (NRCS) training program designed to provide technical staff the training they need to understand and implement conservation planning. Program staff is currently working with NRCS to provide training opportunities for Technician II's. This training is planned to be conducted by NRCS and is the same training NRCS staff receives.

The purpose of the training is to ensure technicians have an opportunity for further professional development and provide the best service possible for landowner assistance.

At this time there are approximately eighty technicians needing to be certified.

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4. Grazing Certification

Jeremia Markway presented for consideration the Grazing Certification update. The Grazing Management resource concern is the second largest concern in terms of both acres served and cost-share dollars paid, with landowner interest in continually growing. Program staff is developing a grazing certification for district Technician II's. The program is working with Lincoln University to develop an examination. With this certification, technicians will be able to certify additional practices such as; Water Development, Water Distribution, Fence, Lime, and Seed.

This examination will cover four parts: written examination, pipeline design exercise, forage and animal balance exercise, and preparation of a grazing plan. Two testing periods will be offered for 2012, January 18-19 and in July.

5. Harrison Landowner – District Drill Rental Program

Colleen Meredith presented a Harrison SWCD landowner complaint regarding drill rental program. The Soil and Water Conservation Program received a letter from a Harrison Soil and Water Conservation District (SWCD) landowner requesting that the policy district in competition with private landowners be re-evaluated as well as asking that the district be notified they should be promoting their equipment as a last resort.

Colleen reviewed the steps the district took to be sure all vendors had the opportunity to be on the district contractor list.

The RSMO 278.135 states "Any soil and water conservation district engaged in the marketing or buying and selling of farm products used directly or indirectly in soil conservation shall be required to obtain approval from the state soil and water districts commission to continue such activity if the commission receives written complaints from three or more business entities."

Kathryn Braden stated that the statue should be sent out to the districts as a reminder for current staff and information to the new staff.

After discussion, Colleen Meredith stated that the program is asking the districts to be very vigilant with having contractor lists available and not push district equipment over local private rental opportunities.

The commission has requested the Program staff to send out a memo to the districts reminding them of the statue and to be sensitive in that area of competition.

6. FY 2012 Supplemental Cost-Share Allocation Summary

Alan Freeman presented the Fiscal Year (FY) 2012 Supplemental Cost-Share Allocation Summary. The commission authorized a Supplemental Cost-Share

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allocation during the conference call September 2011. For districts to qualify, they must have had seventy percent of their FY12 initial allocation obligated and/or pending at the close of business on October 14, 2011. Ninety- nine districts qualified for a supplemental allocation in at least one resource concern.

Districts meeting the seventy percent threshold in a resource concern received at least the supplement resource minimum of \$10,000 dollars. A supplemental resource maximum allocation (\$20,000 - \$50,000 dollars) was established to allow more districts an opportunity to receive funds. In some instances districts received 100 percent of their FY12 Needs Assessment for that resource concern.

FY12 allocated funds will be monitored and managed with MoSWIMS allowing for full use of the \$24,000,000 appropriation. With the initial FY12 allocation of \$22 million dollars in July, the supplemental takes our total allocation to \$27 million dollars. As the commission authorized the program to review current spending of the appropriation, we are anticipating a second supplemental allocation in mid- January to ensure the total appropriation is spent.

7. FY 2012 Cost-Share/SALT Fund Status

April Brandt presented the FY2012 Cost-Share/SALT Fund status report. \$27.5 million dollars has been allocated so far this fiscal year. Statewide \$19.4 million dollars or seventy percent has been obligated. Of the \$19.4 million, \$13.9 million dollars was obligated in the resource concern of Sheet and Rill/Gully Erosion. \$10.2 million dollars or roughly 37 percent had been claimed as of January 9, 2012.

Of the AgNPS SALT funds, roughly \$2.4 million dollars has been allocated to 33 projects this year. \$1.3 million dollars has been obligated and \$735,206.00 has been paid.

After some discussion, April Brandt noted that compared to previous years, the SALT cost-share numbers are a little lower due to funding statewide for water quality practices.

8. FY 2012 Additional Supplemental Cost-Share Allocation

Ken Struempf presented the FY 2012 Additional Supplemental Cost-Share allocation. The program looked at past spending patterns compared to this year, and with the mild weather to do conservation work, the program is expecting to reach the \$24 million dollar cost share appropriation. A memo will be sent to the districts informing them how to be properly positioned for additional allocation eligibility with a timeline and requirements. Eighty percent in obligated funds will be needed for each resource concern to qualify for additional allocations. At this time, 3.5 million dollars is the projected total for the February advanced allocation. Exercising the estimated authority to increase the 24 million dollars cost share appropriation utilizing the 3.7 million dollar may be considered as contracts reach \$24 million dollars.

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9. DWP-1 Grade Control Structure/Drop Pipe Policy

April Brandt presented the DWP-1 Grade Control Structure/Drop Pipe Policy. A letter was sent out to Southeast Missouri districts by the program office dated December 13, 2011 providing clarification to Memorandum 2012-013 regarding erosion requirements for conservation practices. The letter stated that cost-share rules require most land to have active erosion in order to qualify for cost-share assistance; however practices to prevent gully erosion when needed to complete a water disposal system are exempt from the existing erosion requirement. The exemption was placed in the cost-share rules specifically for drop pipes in the Bootheel region of the state. Therefore drop pipes in the Bootheel remain eligible for cost-share based on potential for erosion.

In order to clarify policy that specifically applies to drop pipes, program staff has drafted a separate Drop Pipe practice. This will allow staff to implement the erosion exemption for drop pipes within the current MoSWIMS system.

There are no erosion requirements for this practice. The completed practice must meet NRCS standards and specifications for Grade Stabilization Structure (410), Water and Sediment Control Basin (638), and Critical Area Planting (342) contained in the Field Office Technical Guide.

The following was offered for commission consideration to: approve draft policy for the Drop Pipe practice to be utilized in the Bootheel counties. Program staff will provide a paper copy of the policy to the districts specified in the policy. The districts will be given the opportunity to provide comments for consideration on the policy until such time as it is published in the yearly update of the Cost-Share Handbook. If policy changes are warranted, program staff will bring this back before the commission prior to posting in the Cost-Share Handbook.

After discussion, Gary Vandiver made a motion to approve the DWP-1 Grade Control Structure/Drop Pipe Policy. Kathryn Braden seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

F. REPORTS

1. NRCS

a. Revised N590 Nutrient Management Standard

Glenn Davis presented the revised N590 Nutrient Management Standard. Every five years the National State Conservation Practice Standards are reviewed with N590 being one of them. Each state has until January 1,

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2013 to adopt and adapt it for their state, with the state being able to be more restrictive but not less restrictive than the national standard. This tends to result in national directives that are more generic than state directives can be.

One of the biggest issues is the much additional restrictions on phosphorus applications in fertilizer and manure. Missouri has been very proactive in addressing restrictions on phosphorus in manure and fertilizer applications. Phosphorus status is monitored either by soil test levels or by the Phosphorus Index, depending on the specific site conditions. At the national level there is an interest in a more consistent approach among states and regions, leading to a greater requirement to use risk assessment tools like the phosphorus index. The phosphorus index must be run when the agronomic recommendation is exceeded--what the University says is needed for plant growth--but also needs to be run whenever manure is applied.

Restrictions apply to application of nutrients both fertilizer and manure to ground that is frozen, snow covered, or saturated by rainfall or snowmelt in the first two inches. Missouri has a law for the restriction of manure on frozen, snow covered, or saturated ground but not fertilizer. This will have to be addressed in the Missouri 590 standard.

Soil testing laboratories have to go through a proficiency test and now this will have to be done for the manure testing laboratories as well. The approved National Proficiency Testing Program is out of the Minnesota Department of Agriculture. Each state can come up with a proficiency testing program but currently Missouri doesn't have one at this time so the testing will be sent to Minnesota.

2. Department of Conservation

Clint Dalbom presented an update from the Department of Conservation. He spoke about the mountain lion caught accidentally in Reynolds County. It was a wild mountain lion weighing 122 pounds and healthy. After examination and taking hair samples, the animal was then returned to the wild.

Clint Dalbom also reported on the progress of the Elk project, turkey numbers and bobwhite quail hatch reports.

G. REQUESTS

1. Madison SWCD – Pond Site Review for Contract Eligibility

Jennifer Pellet presented for consideration the Madison SWCD pond site review for Contract Eligibility. Madison County SWCD would like to request an appeal to allow a landowner to construct a pond on a site that does not meet eligibility requirements. DWC-1 requires agricultural activity around the proposed site,

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construction of the pond site cannot be in dense forest cover, and clearing the site prior to eligibility approval is not allowed. This sequence is needed so the erosion rates can be properly determined prior to beginning construction.

On May 8, 2009 an inland hurricane occurred that began in Oklahoma/Kansas and swept across the southern portion of Missouri before beginning to dissipate in Illinois. This caused extensive damage to properties, homes, and forests. Jennifer Pellet noted the area for the pond site was in the damage area of this storm.

A site visit was conducted on October 26, 2011. Upon the visit, the proposed pond site and adjacent acres had been cleared. Per the technician, the landowner was in the process of clearing the blow down site from the May 8, 2009 storm. The landowner now intends to install a pond in the drainage area affected by the storm to provide water for future livestock.

The following was offered for the commission consideration to: Maintain commission policy; contract is not eligible for funding through the Commission program that address erosion control utilizing the DWC-1 practice due to clearing of site prior to eligibility approval, dense forest cover, and lack of agricultural activity present.

After discussion, Gary Vandiver made a motion to deny the appeal. Kathryn Braden seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

2. Supervisor Appointment Ripley Soil and Water Conservation District

Jennifer Pellet presented the Ripley SWCD Supervisor resignation and appointment. Ripley SWCD would like to appoint Mrs. Mary Scott to complete the unexpired term of Mrs. Barbara Gettings, who has submitted a letter of resignation. Mrs. Scott and the district chairman have signed the new Verification of Supervisor Eligibility form verifying this candidate meets the qualifications to serve on the board.

The following was offered for commission consideration to: Approve the appointment of Mrs. Mary Scott to complete the unexpired term of Mrs. Barbara Gettings.

After discussion, Thomas Bradley made a motion to approve the appointment of Mrs. Mary Scott to the Ripley SWCD board of Supervisors. Charles Ausfahl seconded the motion. When asked by the chair; Kathryn Braden, Thomas Bradley, Gary Vandiver, Charles Ausfahl, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

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3. Holt SWCD - Heck Farms Payment of DWP-1 Structure

Kathryn Braden made a motion to take Holt SWCD- Heck Farms Payment of DWP-1 structure which was tabled at the November 28, 2011 commission meeting off the table for further discussion. Thomas Bradley seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

Ken Struempf presented background information from the November Commission meeting was presented. Since the November meeting, the Program office was contacted by Mr. Heck's legal counsel stating that an easement had been received from the adjoining landowner.

The following was offered for commission consideration to: Allow Mr. Heck two options to choose from to protect the landowner and state's initial investment: Provide additional cost-share funds to bring the DWP-1 practices up to the required standards and specifications outlined by NRCS. If he does not choose to correct the practices, support the Holt SWCD board and request repayment of \$10,000.00 to be made within 30 days for contract SGE 106-11-0059. Failure to repay the funds in 30 days will result in forwarding this case to the Attorney General's Office for collection. In addition, cancel contract SGE 106-11-0062 containing the two DWP-1 practices to the north that needs a separate tile line.

After discussion, Kathryn Braden made a motion to retable due to lack of cost information. Gary Vandiver seconded the motion. When asked by the chair, Kathryn Braden, Thomas Bradley, and Richard Fordyce voted in favor, Charles Ausfahl and Gary Vandiver opposed. The motion carried.

4. Chariton SWCD – Cover Crop Pilot Practice Policy

Jeremia Markway presented the Chariton SWCD – Cover Crop Pilot Practice Policy. The purpose of the cover Crop Pilot Practice Policy is to: reduce wind and water erosion of soil, improve water quality by reducing pollution runoff and nutrient loading of ground water, improve infiltration capacity of soil, and demonstrate the environmental and economic advantages of utilizing cover crops.

This practice was developed based on the information and input from the most seasoned and successful practitioners of cover cropping in the United States, agronomists from multiple agencies, Chariton County SWCD staff, and farmers in the district. It has also been developed based on sound principles found universally in Nature. After completion of the pilot, the Program staff will do a review of the practice and there will be a comment period open to all districts before the practice is offered statewide.

This practice will be applicable to crop land where grain crops are grown. The completed components of the practice must meet the NRCS standards and

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specifications for Cover Crops (340), Residue and Tillage Management No-Till (329), Conservation Crop Rotation (328), and Nutrient Management (590) as contained in the Field Office Technical Guide. Farmers who are successfully using cover crops in their management system acknowledge that it may take 3 to 5 years to see dramatic changes to soil health and profitability. Therefore, the policy is designed to give the incentives for multiple year payments.

There are two levels of participation available under the Cover Crop System Practice.

On the contract acres, operators participating in Level 1 must implement no-till planting methods and nutrient management, establish cover crops for 3 consecutive years, and implement, at minimum, implement a two-crop rotation, such as a corn-soybean rotation. This level was designed to target operators who use a corn-soybean rotation commonly found in Missouri. Cover crops can be beneficial in conventional tillage systems. However, the greatest benefits to soil and water quality occurs when they are used in conjunction with no-till. For this reason, we chose to focus on no-till acres.

The second level of participation, Level 2, is designed for producers whose crop rotation consists of 3 distinct full season crops, such as a corn-soybean-wheat rotation. The requirements are the same as Level 1, except that the operator must establish cover crops for three years in a four year period. The extra year is given to account for the year when wheat would be planted instead of a cover crop.

Operators must adopt a 100 percent no-till cropping system on the contract acres, for three consecutive years for Level 1 and for four consecutive years for Level 2.

The following was offered for commission consideration: approve the Cover Crop System Pilot Practice Policy.

After discussion, Kathryn Braden made a motion to approve the Cover Crop System Pilot Practice Policy. Gary Vandiver seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

5. Chariton SWCD – Contract with Associated Electric

Jeremia Markway presented for consideration the Chariton SWCD Contract with Associated Electric Cooperative Incorporated (AECI). The Chariton SWCD and AECI Land, L.L.C. are working on a contract for leasing 83 acres for a cover crop practice. The program staff contacted legal counsel from the Attorney General's office that reviewed statute 278.120.2(5). Commission approval is required before the district proceeds with this activity. Jeremia Markway gave background information leading to this contract. AECI requested an annual progress report on

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all activities and research performed on this property and this report will be available and supplied to the commission.

The following was offered for commission consideration to: approve the Chariton SWCD to make and execute a contract with AECI Land L.L.C. to enable the local district to assist in cover crop research for the saving of soil and water in the district. The commission is not responsible for the local decisions made in carrying out the contract details.

Tim Duggan stated that he did review the contract and found it satisfactory. He also asked that a provision be added stating that there is an obligation to ensure that the cover crop research farm is operated in accordance with the policies of this commission as required by statute.

After discussion, Kathryn Braden made a motion to approve the Chariton SWCD to make and execute a contract with AECI Land L.L.C. to enable the local district to assist in cover crop research for the saving of soil and water in the district. The commission is not responsible for the local decisions made in carrying out the contract details. Thomas Bradley seconded the motion. When asked by the chair; Charles Ausfahl, Thomas Bradley, Kathryn Braden, Gary Vandiver, and Richard Fordyce voted in favor of the motion and the motion carried unanimously.

H. SOIL AND WATER CONSERVATION PROGRAM DIRECTOR'S COMMENTS (Continues)

1. Timesheet Program Implementation Update

Jim Plassmeyer presented an update on the Timesheet Program Implementation update. The time reporting system is a tool that the commission authorized to provide standardized timesheets in the district. To date, one hundred and five districts are on the time reporting system. The remaining districts are being worked with to resolve any issues and get them caught up. As of January 1, 2012, the time codes reflecting the actual activities worked on by district staff should be used. Also, work is being done with the developers of this system to create reports within the timesheet program for both the program office and for the local boards.

2. Accounting Program Implementation Update

Jim Plassmeyer presented the Accounting Program Implementation update. Currently, the work is being done to make quarterly reports an electronic submission. The district piloting has been done with good results. This system will allow more up- to- date data. The progress on this project is subject to the programmers schedules at this time.

3. Year End District Financial Report Summary

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Jim Boschert presented the Year End District Financial Report summary. The year-end financial report is submitted by each district to the program office after the fiscal year has ended. This report list all income and expenses of the district.

The districts reported that they received income of \$13,312,291 dollars in fiscal year (FY) 2011. Of this amount 78 percent was state funds, which includes the different grants that the districts receive from our office.

Income from state, local and federal sources has been tracked since the mid 90's. Only in fiscal years 2000 and 2011 did state funds decrease. In FY 2011 state funds decreased by \$188,404 dollars or less than 2 percent. The decrease can be attributed to a reduction in SALT projects and also not filling some vacancies in the districts.

In FY11 local district funds have increased by \$549,886 dollars. The amount of funds that districts generate in their local funds has remained rather constant over the years.

State funds to district totaled \$10,421,120 dollars. Local districts generated \$2,669,792 dollars of local. The sales portion of this typically includes districts selling items such as fencing supplies, plat books or pipe but it also includes districts selling their used machinery.

The total of district expenditures for FY11 was \$13,443,085 dollars. Employee related expenses total 77 percent of the total expenditures of the district.

In FY 11 the total expenses exceeded total income received by the districts. In FY11 there were 69 districts that operated in the black. In reviewing this against previous years it appears that the number of district exceeding their income has increased across the state.

Another item that was reviewed were the funds in the bank at the end of the fiscal year for all the districts and how the funds have changed since the middle 90s.

The funds can be state, federal or local funds.

I. REPORTS (Continued)

1. NRCS

J.R. Flores presented for consideration the Natural Resources Conservation Services (NRCS) report. He stated that there will be ten United States Department of Agriculture (USDA) office closed in Missouri this year, with only one of them being an NRCS office.

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J. R. Flores stated the Cover Crop Pilot project that was approved by the Soil and Water Districts commission was a good thing. He said there have been presentations at the state association meetings, which increases the excitement for cover crops. Missouri NRCS is moving forward with an aggressive campaign on informing and educating both our staff and the public on the soil and water benefits of improved soil health. There are two meetings currently planned that are open to the public featuring two nationally recognized speakers. The meetings will be held January 13 in Salisbury and January 14 in Blue Springs. These meetings are sponsored by the Chariton, Jackson, Clay SWCD's, and Jackson County University Extension.

The NRCS Financial Assistance Programs, the Conservation Stewardship Program, first application period in 2012 ends January 27, with the obligation deadline set for April 20, 2012.

The Environmental Quality Incentives Program (EQIP) has a continuous signup; however, the first application period ends February 3. Missouri has received over 14 million dollars for general EQIP not including the initiatives. Based upon recommendations from the State Technical Committee, funds will be dispersed to the following lands uses as follows: 30 percent cropland, 10 percent forestland, 40 percent pasture/hayland, and 20 percent animal feeding/waste.

The EQIP Cooperative Conservation Partnership Initiative (CCPI) received nearly 1.5 million dollars to fund existing projects in the initial funding allocation. There will be no nationwide CCPI (new) projects awarded in 2012. In 2012, over 8.7 million dollars is available to fund active existing projects. However, the request for proposal has been announced for the new Mississippi River Basin Initiative (MRBI). The National Office will be accepting requests for proposals in 2012 with 50 million dollars available nationwide.

The EQIP Organic Initiative has announced that there are three application periods ending: February 3, March 30 and June 1, 2012. The initial allocation to Missouri was nearly \$406,000 dollars.

The EQIP Seasonal High Tunnel and Energy Initiatives have three application periods with ending dates the same as the Organic Initiative. However, state funding allocations will be distributed at a later date.

Conservation Innovation Grants (CIG) proposed applications are being accepted from the National office through January 31 for CIG's from eligible governmental or non-governmental organizations or individuals for competitive consideration of grant awards for projects between one to three years of duration. At the National level, \$20 million dollars is available for this program in 2012 and Missouri has \$150,000 dollars available for state CIG's.

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January 11, 2012

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The Wetland Reserve Program signup ended on November 30, 2011. Missouri has been assigned an enrollment goal of 4,524 acres.

J.R. Flores also welcomed and congratulated Colleen Meredith on her appointment as Soil and Water Conservation Program Director, and stated that he looks forward to working with her.

2. MASWCD

Kenny Lovelace presented the MASWCD report. He stated he is looking forward to the Cover Crop meeting on Friday January 13, 2012. He also congratulated Colleen Meredith on her appointment to the Soil and Water Conservation Program director.

March 1 is the deadline for the MOU agreement comments to the committee.

3. Department of Agriculture

Judy Grundler presented for consideration the Department of Agriculture report. She stated the Governor's conference begins January 19th thru January 21st, in Kansas City. The registration fee is \$200 dollars and late registration fee is \$300 dollars. She invited anyone interested to attend.

J. PUBLIC COMMENTS

Beverly Dometroch addressed the commission asking for Matching Grants for Information Education. Kathryn Braden stated that she was asked about the Matching Grant money and possibility of the commission looking at this issue in the future.

George Engelbach addressed the commission stating that Missouri Initiative Waters is already being implemented through Environmental Protection Agency in his area. He stated that Jefferson SWCD is in its fourth watershed, or watershed management plan and has concerns with the implementation and governance of watershed.

Sandy Hutchison addressed the commission representing the Missouri Employees Association and the NACD North Central Region Employee Association. Sandy Hutchison, along with Bill Wilson, J.R. Flores, Kenny Lovelace, Beverly Dometroch, and Steve Radcliff attended the North Central Region meeting held in Chicago. She also shared the information that was given out by her at the meeting was well received by other attendees.

K. SUGGESTED DATE(S) OF NEXT MEETINGS

The next scheduled meeting is March 14, 2012, tentative location is Southeast region of the state.

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L. ADJOURNMENT

Kathryn Braden moved the meeting be adjourned. Charles Ausfahl seconded the motion.
Motion approved by consensus at 3:50 p.m.

Respectfully submitted,

Colleen Meredith, Director
Soil and Water Conservation Program

Approved by:

Richard Fordyce, Chairman
Missouri Soil and Water Districts Commission

/clm

Jay Nixon, Governor
Sara Parker Pauley, Director

News Release 381

Director Pauley announces Our Missouri Waters pilot project, develops coordinated, holistic approach to watershed management

Volume 39-381 (For Immediate Release)
For more information: 573-751-1010

SPRINGFIELD, Mo., Nov. 17, 2011 - The Missouri Department of Natural Resources today announced Our Missouri Waters, a new watershed-based approach that will change the way the department conducts water resource management.

Speaking at the Tri-State Water Resource Coalition annual conference in Springfield, department director Sara Parker Pauley announced the initiative that will take a coordinated, holistic approach to watershed management across the state.

“Our Missouri Waters initiative will modernize and streamline the way the department conducts watershed planning to better target our resources and provide a greater environmental benefit to the state of Missouri,” said Director Pauley. “This will help the department maintain consistency and provides a framework to measure results and provide accountability.”

Stakeholders, partnering agencies and the public will play a critical role throughout the initiative. The department has established a Watershed Advisory Committee that will provide their expertise and insight to the department as it works to develop, implement and evaluate this new approach. Working with these partners, the department will work to improve watershed planning, identify issues within watersheds and utilize tools that are best suited to address those watershed-specific issues.

“I applaud the department for taking this step to break down silos, which will lead to a more efficient, integrated and effective approach to preserving and protecting our precious water resources,” Gov. Jay Nixon said.

Citizen participation and cooperation is also crucial for successful watershed management. “Local citizen participation is key to the success of Our Missouri Waters initiative. When citizens better understand the issues within their watershed, they become more invested in the future of their community and together we can develop the most effective solution to benefit the state’s water resources for generations to come.” added Director Pauley.

The department selected three pilot watersheds to be included in the department’s first phase of the Our Missouri Waters initiative. The department evaluated all watersheds throughout the state and selected Spring River watershed, Big River watershed and the Lower Grand River watershed due to their diversity and opportunities. When selecting the three pilot watersheds, the department examined issues such as water quality, water quantity, high-quality waters for preservation and local stakeholder interest.

The department will begin implementing the pilot projects in early 2012 and will continue the planning process into 2013. These pilots will allow the department to analyze how well this watershed-based approach works and to make adjustments before implementing a statewide effort expected to be launched in 2013.

For more information, visit the department's website at dnr.mo.gov/omwi.htm or contact the Department of Natural Resources toll free at 800-334-6946 (voice) or 800-379-2419 (Telecommunications Device for the Deaf).

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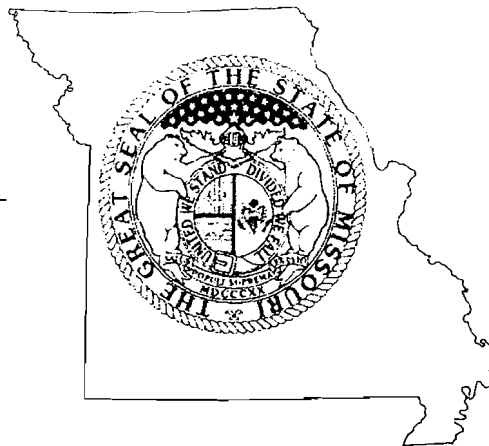


Thomas A. Schweich

Missouri State Auditor

NATURAL RESOURCES

Soil and Water Conservation Program



February 2012

Report No. 2012-07

<http://auditor.mo.gov>



CITIZENS SUMMARY

Findings in the audit of the Department of Natural Resources, Soil and Water Conservation Program

Oversight of District Activities The Department of Natural Resources (DNR), Soil and Water Conservation Program (SWCP) needs to improve its procedures for reviewing and monitoring operations of Soil and Water Conservation Districts. The SWCP did not document its review of district board minutes. The districts did not adequately document project approvals in board minutes as required by SWCP policy, and several of the districts did not properly document the reasons and votes for going into closed sessions.

The SWCP did not adequately monitor district administrative grant expenditures. The SWCP reviewed district quarterly reports but did not review supporting payroll records, and some districts did not timely submit quarterly reports. The SWCP failed to detect some unallowable expenditures, including meal expenses which exceeded SWCP policy limits, meal reimbursements when the conference attended provided meals, and a printer. One district employee was reimbursed for cash prizes given in a youth poster contest, but the documentation did not include the names of the prize winners, as is required by SWCP policy.

SWCP indicated annual district audits cannot be conducted annually as required because of budgetary and staffing constraints, but the process for choosing which districts to audit is not formalized or documented. In addition, the SWCP had not yet provided corrective action plans for the most recently completed audits.

In the areas audited, the overall performance of this entity was **Good**.*

American Recovery and Reinvestment Act 2009 (Federal Stimulus)

The Department of Natural Resources, Soil and Water Conservation Program, did not receive any federal stimulus monies during the audited time period.

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more recommendations that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

All reports are available on our website: <http://auditor.mo.gov>

Department of Natural Resources

Soil and Water Conservation Program

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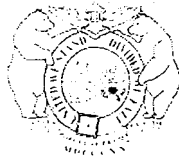
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THOMAS A. SCHWEICH
Missouri State Auditor

Honorable Jeremiah W. (Jay) Nixon, Governor
and
Sara Parker-Pauley, Director
Department of Natural Resources
and
Members of the Soil and Water Districts Commission
and
Colleen Meredith, Program Director
Soil and Water Conservation Program
Jefferson City, Missouri

We have audited certain operations of the Department of Natural Resources Soil and Water Conservation Program in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2011, 2010, and 2009. The objectives of our audit were to:

1. Evaluate the program's internal controls over significant management and financial functions.
2. Evaluate the program's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the program, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the program's management and was not subjected to the procedures applied in our audit of the program.

For the areas audited, we identified (1) deficiencies in internal control, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the Department of Natural Resources Soil and Water Conservation Program.



Thomas A. Schweich
State Auditor

The following auditors participated in the preparation of this report:

Deputy State Auditor:	Harry J. Otto, CPA
Director of Audits:	John Luetkemeyer, CPA
Audit Manager:	Mark Ruether, CPA
In-Charge Auditor:	Kelly Davis, M.Acct., CPA, CFE
Audit Staff:	Travis Owens, MBA, CFE
	James M. Applegate, MBA
	Kimberly Shepard

Department of Natural Resources

Soil and Water Conservation Program

Management Advisory Report - State Auditor's Findings

1. Oversight of District Activities

The Department of Natural Resources (DNR) Soil and Water Conservation Program (SWCP) procedures for reviewing and monitoring operations of Soil and Water Conservation Districts need improvement. The SWCP provides funding for administrative and landowner grants to Missouri's 114 Soil and Water Conservation Districts for various soil and water conservation programs. These grants and SWCP administrative costs are funded by state soils and water sales tax revenues of approximately \$38 million annually.

1.1 Review of district minutes

SWCP review of district board minutes for compliance with landowner grant and closed meeting requirements needs improvement. District boards meet monthly to approve and monitor landowner cost-share grant projects and to oversee district operations. Board meetings are subject to Sunshine Law requirements and meeting minutes are prepared by each district. SWCP personnel review the minutes to ensure state-funded district operations comply with various requirements. While SWCP personnel indicated all submitted district minutes are reviewed and follow-up is performed on concerns noted, they did not document these reviews. As a result, it is difficult to determine whether non-compliance with cost-share project or closed meeting requirements were corrected.

Cost-share project approval

Our review of cost-share projects noted various districts did not adequately document required project approvals in board minutes. To receive cost-share grant funding for which project costs are shared by the SWCP and the landowner, an application must be submitted and approved by the district board. Once the project is complete, the district board reviews the reimbursement claim and approves the invoices for state reimbursement by the SWCP. All district approvals are required by SWCP policy to be documented in the district board minutes.

Districts did not document various approvals in board minutes for 12 of the 25 projects reviewed. For eight of these projects, no documentation of the project was included in district minutes provided by the SWCP. For four projects, the minutes stated the district board reviewed and approved cost-share reports, but the SWCP did not request additional documentation of district board approval for these projects.

Closed meetings

SWCP review of district minutes for compliance with closed meeting requirements also needs improvement. The level of documentation in district open meeting minutes related to closed sessions varied greatly among districts during fiscal years 2010 and 2011, and concerns were noted with minutes maintained by six of ten districts reviewed. Four of the six districts did not document the specific statutory reason for holding closed sessions and three of the six districts did not document the results of votes to go into closed session.



Department of Natural Resources
Soil and Water Conservation Program
Management Advisory Report - State Auditor's Finding

Section 610.022.1, RSMo, states "The vote of each member of the public governmental body on the question of closing a public meeting or vote and the specific reason for closing that meeting or vote by reference to a specific section of this chapter shall be announced publicly at an open meeting of the governmental body and entered into the minutes." Section 610.021, RSMo requires certain votes taken in closed session to be disclosed in open session.

Without adequate reviews of district minutes, there is an increased risk noncompliance with cost-share approval and closed meeting requirements will go undetected. In addition, reviews of district minutes allow program personnel to be aware of all activities occurring in the districts including personnel changes, expenditure decisions, and other activities related to the sales tax funds.

1.2 Administrative grant monitoring

The SWCP does not adequately monitor district administrative grant expenditures. SWCP personnel perform reviews of district quarterly reports of expenditures; however, the SWCP does not review supporting payroll records and some districts did not submit quarterly reports timely. In addition, SWCP reviews did not detect some unallowable costs incurred by the districts. The SWCP provides administrative grants to each district totaling approximately \$11 million annually from the soils and water sales tax monies. These grants are used for administrative expenses such as salaries and benefits, supplies, and travel.

District payroll

Current monitoring procedures do not include a review of supporting documentation for payroll expenditures. Districts currently report hours worked and pay rates but do not submit timesheets to support the reported payroll hours. In fiscal year 2011, personnel-related expenditures totaled over \$9.5 million, or 82 percent of total administrative grants.

The SWCP is in the process of implementing a new electronic timekeeping system which will provide more timely and detailed records of district employee payroll. SWCP policy prohibits districts from using grant monies for non-SWCP programs, such as non-agricultural federal grants or equipment rental operations. The new system is designed to provide more detailed reporting of time spent on SWCP-related activities and help the SWCP ensure district compliance with grant policies. As of November 2011, 105 districts are using the new system. SWCP personnel expect the remaining districts to be online once technical issues are resolved. While this system will allow the SWCP access to district timekeeping records, there are currently no plans for the SWCP to perform regular or periodic reviews of supporting documentation for district-reported time.

District expenditures

We reviewed certain district expenditures charged to the administrative grants and noted the following which appear to be unallowable or excessive:



Department of Natural Resources
Soil and Water Conservation Program
Management Advisory Report - State Auditor's Finding

- District employees charged meal expenses that exceeded daily limits and were reimbursed for meals when the conferences provided meals. We reviewed expenses at ten districts and noted three districts incurred meal expenses that exceeded amounts allowed by SWCP policy by a total of \$150.
- One district purchased a printer from administration funding which is not allowable under SWCP policy.
- Another district did not provide sufficient documentation to support a \$92 reimbursement to a district employee. The employee used personal funds for prizes in a youth poster contest, but did not document the names of the prize winners. SWCP policy requires at least a listing of prize winners to be submitted to support these payments.

In addition, two districts submitted quarterly expenditure reports 2 to 3 months after the end of the quarter. Currently, SWCP policy requires quarterly reports be submitted within 10 days after the end of the quarter.

Sufficient monitoring procedures, including reviewing payroll timekeeping documentation on at least a test basis, is necessary to ensure administrative grant expenditures are allowable and necessary. Without a review of timekeeping documentation, the SWCP has less assurance districts are accurately reporting time in the new system and payroll expenditures are for allowable activities. Timely submission of district quarterly reports is also necessary to ensure SWCP personnel are able to address errors and make necessary corrections to funding allocations.

1.3 District audits

Soil and Water Conservation Districts are not audited annually as required by state law, and while audits are periodically performed, procedures to prioritize the districts to be audited and frequency of audits have not been finalized. In addition, procedures to follow up on audit findings need to be improved.

SWCP personnel indicated annual district audits cannot be performed due to staffing and budgetary constraints. The SWCP and the DNR Internal Audit Program contracted with CPA firms to conduct audits of 27 of the 114 districts in 2010. Prior to this, the last audits of selected districts were performed in 2006. The SWCP and Internal Audit Program currently do not have a formal process to select which districts should be audited and the timing of the audits. The SWCP chose the 27 districts selected for audit in 2010 based on staff suggestions, but this process was not formalized or documented. SWCP officials indicated they are in the process of developing a schedule to ensure all districts are audited every 4 years; however this has not been completed.



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Management Advisory Report - State Auditor's Finding

In addition, upon completion of the most recent audits performed, the SWCP has not provided Internal Audit the requested corrective action plans for audit findings. Corrective action plans were requested as early as February 2011 on completed audits, but had not been received by Internal Audit as of July 2011.

Section 278.110.6. RSMo, requires district finances to be audited annually. Routine audits would provide additional assurance the districts are complying with SWCP requirements. If annual audits cannot be conducted, the SWCP and Internal Audit Program should finalize a plan to ensure audits are conducted periodically for all districts. In addition, follow-up on audit findings is necessary to ensure corrective action is performed in a timely manner.

Recommendations

The SWCP:

- 1.1 Develop procedures to ensure documentation of minutes reviewed and follow-up on concerns is prepared and retained. These reviews should ensure district board approval of cost-share projects is adequately documented and districts comply with the Sunshine Law regarding closed meetings.
- 1.2 Improve district monitoring procedures to include reviewing supporting documentation for payroll expenditures and ensure administrative expenditures are allowable and reasonable. In addition, the SWCP should ensure quarterly expenditure reports are submitted by the deadline.
- 1.3 Ensure district audits are conducted annually in accordance with state law or develop a plan to ensure audits are conducted periodically for all districts. In addition, corrective action plans for audit findings should be submitted to Internal Audit in a timely manner.

Auditee's Response

The Soil and Water Conservation Program provided the following written response:

- 1.1 *We agree with the recommendation. The SWCP has developed procedures to scan in all district minutes into an electronic file. The SWCP district coordinators will utilize the "District Minute Checklist" to thoroughly review the minutes and provide guidance back to district boards and personnel on deficiencies in the district board's minutes. Special attention will be paid to cost-share documentation, compliance with the Sunshine Law and Treasurers Report. Districts will be required to attach reports from the Missouri Soil and Water Information Management System*



Department of Natural Resources
Soil and Water Conservation Program
Management Advisory Report - State Auditor's Finding

(MoSWIMS), which will show all actions related to cost-share contracts (approvals, amendments, and payments). A checklist will be used to determine compliance with Sunshine Law requirements. The completed "District Minute Checklist" will be scanned with the minutes documenting the deficiencies and guidance provided to the districts.

- 1.2 *We agree with the recommendation. The SWCP will periodically review information from the new time reporting tool to ensure the time reported on district timesheets correlate to the personnel expenses submitted. The SWCP will develop more specific policies that will provide a defined timeline for submission of the quarterly reports and appropriate follow-up.*
- 1.3 *We agree with the recommendation. The SWCP will work with the Internal Audit Program to develop procedures to ensure audits of the district's accounts of receipts and disbursements are conducted in accordance with state law. The SWCP and Internal Audit Program will continue to schedule contract audits of the districts. The SWCP will develop a risk assessment process to assist in determining the priority order of districts to be audited. The SWCP through policy and procedure development will ensure all corrective action plans from the districts contract audits are forwarded to Internal Audit Program on a timely basis.*

Department of Natural Resources

Soil and Water Conservation Program

Organization and Statistical Information

The Soil and Water Conservation Program (SWCP) provides financial incentives to landowners to implement conservation practices that help prevent soil erosion and protect water resources. By promoting good farming techniques that help keep soil on the fields and waters clean, the program helps conserve the productivity of Missouri's working lands. Assistance offered by the SWCP includes the cost-share program, agricultural nonpoint source special area land treatment program, district grants, and the Mississippi River Basin Healthy Watersheds Initiative.

The SWCP provides conservation services and funding to Missouri's 114 Soil and Water Conservation Districts. The SWCP is administered by the Soil and Water Districts Commission.

The Soil and Water Districts Commission has ten members made up of six farmers appointed by the Governor and four ex-officio members. The four ex-officio members are directors of the Departments of Natural Resources, Agriculture, and Conservation, along with the dean of the University of Missouri-Columbia's College of Agriculture. The commission has the authority to promulgate such rules and regulations as may be necessary to effectively administer a state-funded soil and water conservation program.

Commission Members at June 30, 2011

Farmer Members	
Commissioner	Term Expires
Richard Fordyce	August 15, 2010 (1)
Gary Vandiver	August 15, 2011
Charlie Ausfahl	August 15, 2012
Kathryn Braden	August 15, 2010 (1)
Thomas Bradley	August 15, 2012
Vacant	August 15, 2011
Ex-Officio Members	
Commissioner	Title
Sara Parker-Pauley	Director, Department of Natural Resources
Dr. Jon Hagler	Director, Department of Agriculture
Robert Ziehmer	Director, Department of Conservation
Thomas Payne	Dean, University of Missouri-Columbia, College of Agriculture

(1) Members continue to serve until a replacement is named.

The director of the SWCP oversees the commission's operation and administration. In June 2011, Colleen Meredith was appointed Interim Program Director and is currently serving in that capacity. Prior to this, Bryan Hopkins served as the Program Director.

The primary source of funding for the Soil and Water Conservation Program is half of the one-tenth-of-one-percent parks, soils and water sales tax. The parks, soils and water tax was created through a constitutional amendment



Department of Natural Resources
Soil and Water Conservation Program
Organization and Statistical Information

American Recovery and
Reinvestment Act 2009
(Federal Stimulus)

and earmarked specifically for the state park system and efforts to stop soil erosion. The tax was first approved by voters in 1984, and has since been reapproved by voters three times in 1988, 1996 and 2006. The sales tax renewal will be up for vote in 2016.

The Department of Natural Resources Soil and Water Conservation Program did not receive any federal stimulus monies during the three years ended June 30, 2011.

Appendix A

Department of Natural Resources-Soil and Water Conservation Program

Comparative Statement of Receipts, Disbursements, Other Financing Uses, and Changes in Cash and Investments -
Soil and Water Sales Tax Fund

	Year Ended June 30,		
	2011	2010	2009
RECEIPTS			
Soil and water sales/use tax	\$ 38,326,982	37,541,196	38,627,589
Inter-agency billing	0	0	2,286
Refunds	52,316	27,949	28,789
Interest	222,314	423,043	905,970
Transfer in	85	199	951
Total Receipts	<u>38,601,697</u>	<u>37,992,387</u>	<u>39,565,585</u>
DISBURSEMENTS			
Personal service	1,292,067	1,203,711	1,374,713
Employee fringe benefits	591,551	549,774	569,690
Operations	38,525,049	36,622,079	39,432,193
Total Disbursements	<u>40,408,667</u>	<u>38,375,564</u>	<u>41,376,596</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS BEFORE OTHER FINANCING USES	<u>(1,806,970)</u>	<u>(383,177)</u>	<u>(1,811,011)</u>
OTHER FINANCING USES			
Appropriations exercised by other state agencies			
OA-Legal and other expense	8,476	8,476	8,746
OA-Unemployment insurance	320	5,760	607
Office of the Attorney General	14,464	14,464	14,464
Office of the State Auditor	20,728	20,728	20,728
Department of Revenue	247,772	254,942	271,769
Total Other Financing Uses	<u>291,760</u>	<u>304,370</u>	<u>316,314</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING USES	<u>(2,098,730)</u>	<u>(687,547)</u>	<u>(2,127,325)</u>
CASH AND INVESTMENTS, JULY 1	<u>30,584,105</u>	<u>31,271,652</u>	<u>33,398,977</u>
CASH AND INVESTMENTS, JUNE 30	<u>\$ 28,485,375</u>	<u>30,584,105</u>	<u>31,271,652</u>

Appendix B

Department of Natural Resources - Soil and Water Conservation Program
Comparative Statement of Appropriations and Expenditures

		Year Ended June 30,								
		2011			2010			2009		
		Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
SOIL AND WATER SALES TAX FUND										
Attorney General Expense and Equipment	\$	2,267	2,267	0	2,267	2,267	0	2,267	2,267	0
Attorney General Personal Service		12,197	12,197	0	12,197	12,197	0	12,197	12,197	0
Conservation Equipment Incentive Program		75,000	23,646	51,354	500,000	36,139	463,861	300,000	75,740	224,260
Cost Share Grant		26,500,000	24,360,611	2,139,389	26,000,000	20,064,337	5,935,663	20,451,832	20,430,169	21,663
Department Operations - Contract Audits Expense and		250,604	153,793	96,811	58,000	0	58,000	106,000	105,755	245
Field Services Expense and Equipment		0	0	0	20,000	8,716	11,284	30,423	23,559	6,864
Grants To Soil Districts		11,680,820	10,446,731	1,234,089	11,680,820	10,816,185	864,635	9,647,404	9,624,598	22,806
Refund Accounts		329	0	329	329	0	329	329	0	329
Regional Offices Expense and Equipment		20,000	9,713	10,287	0	0	0	0	0	0
Soil and Water Conservation Expense and Equipment		638,555	231,038	407,517	638,555	208,802	429,753	1,156,799	1,156,640	159
Soil and Water Conservation Personal Service		1,319,456	1,259,142	60,314	1,319,456	1,170,786	148,670	1,403,171	1,341,788	61,383
Soil and Water Resources Grant		75,000	52,807	22,193	75,000	0	75,000	185,000	168,096	16,904
Special Area Land Treatment		3,600,000	2,497,173	1,102,827	4,620,454	4,620,410	44	6,896,200	6,890,639	5,561
State Auditor Personal Service		20,728	20,728	0	20,728	20,728	0	20,728	20,728	0
Unemployment Benefits		7,619	320	7,299	7,619	5,760	1,859	7,619	607	7,012
Total Soil And Water Sales Tax Fund	\$	44,202,575	39,070,166	5,132,409	44,955,425	36,966,327	7,989,098	40,219,969	39,852,783	367,186

Note: There were no Governor's withholdings for this fund for these years

Appendix C

Department of Natural Resources - Soil and Water Conservation Program
Comparative Statement of Expenditures (From Appropriations)

		Year Ended June 30,				
		2011	2010	2009	2008	2007
Salaries and wages	\$	1,292,067	1,203,711	1,374,713	2,011,961	1,953,605
Travel, in-state		55,705	36,582	70,629	111,267	96,602
Travel, out-of-state		1,021	1,673	8,728	9,088	7,982
Fuel and utilities		0	0	113	4,762	3,914
Supplies		22,929	23,385	31,075	81,026	51,910
Professional development		18,115	18,052	21,421	56,456	76,229
Communication service and supplies		20,019	20,822	22,602	113,608	34,301
Services:						
Professional services		275,886	330,089	2,595,746	1,676,392	1,353,348
Housekeeping and janitorial		0	51	309	7,555	6,254
Maintenance and repair		1,727	5,409	6,391	33,196	19,262
Equipment:						
Computer		0	302	0	635,311	76,333
Office		0	0	726	91	112
Other		0	18	0	5,162	23,606
Debt service		0	0	0	0	2,898
Building lease payments		1,390	1,636	1,309	110,959	83,510
Equipment rental and leases		171	188	888	396	839
Miscellaneous expenses		7,889	9,965	11,224	5,490	7,477
Program distributions		37,373,247	35,314,444	35,706,909	30,447,666	31,772,970
Total Expenditures	\$	<u>39,070,166</u>	<u>36,966,327</u>	<u>39,852,783</u>	<u>35,310,386</u>	<u>35,571,152</u>

Master Fund Status Summary

<u>District</u>	<u>Allocated</u>	<u>Obligated</u>	<u>%Obligated</u>	<u># Contracts</u>	<u>Contract Payment</u>	<u>% Contract Payment</u>	<u># Contract Payments</u>	<u>Pending</u>
FY: 2012 Fund Code:R Project:AWM - ANIMAL WASTE MANAGEMENT	\$1,005,000.00	\$521,584.64	51.90%	30	\$190,499.87	18.96%	9	\$54,592.94
FY: 2012 Fund Code:R Project:GM - GRAZING MANAGEMENT	\$4,312,768.70	\$2,623,648.47	60.83%	928	\$1,060,515.26	24.59%	348	\$199,883.78
FY: 2012 Fund Code:R Project:IM - IRRIGATION MANAGEMENT	\$1,219,236.41	\$721,362.65	59.17%	154	\$312,467.74	25.63%	62	\$103,799.88
FY: 2012 Fund Code:R Project:NM - NUTRIENT MANAGEMENT	\$16,141.49	\$16,141.49	100.00%	10	\$16,141.49	100.00%	9	\$0.00
FY: 2012 Fund Code:R Project:NP - NUTRIENT & PEST MANAGEMENT	\$742,573.89	\$713,387.69	96.07%	594	\$511,888.29	68.93%	475	\$1,979.20
FY: 2012 Fund Code:R Project:SA - SENSITIVE AREAS	\$2,579,720.83	\$1,250,919.23	48.49%	375	\$512,186.08	19.85%	186	\$103,489.78
FY: 2012 Fund Code:R Project:SGE - SHEET AND RILL / GULLY EROSION	\$20,325,152.41	\$16,295,893.14	80.18%	3343	\$10,641,739.53	52.36%	1907	\$749,775.93
FY: 2012 Fund Code:R Project:WE - WOODLAND EROSION	\$1,415,081.00	\$713,553.48	50.42%	236	\$190,819.38	13.48%	70	\$42,304.47
Subtotal for R	\$31,615,674.73	\$22,856,490.79	72.29%	5670	\$13,436,257.64	42.50%	3066	\$1,255,825.98
FY: 2012 Fund Code:SN Project:BDSP-31 - BUFFER SINKHOLE IMP	\$28,800.00	\$5,700.00	19.79%	19	\$5,100.00	17.71%	17	\$0.00
FY: 2012 Fund Code:SN Project:SN048 - DRY AUGLAIZE	\$0.00	\$0.00	0.00%	0	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN051 - LOWER BIG MARIES RIVER								

Master Fund Status Summary

<u>District</u>	<u>Allocated</u>	<u>Obligated</u>	<u>%Obligated</u>	<u># Contracts</u>	<u>Contract Payment</u>	<u>% Contract Payment</u>	<u># Contract Payments</u>	<u>Pending</u>
	\$0.00	\$0.00	0.00%	0	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN054 - CHARETTE CREEK								
	\$0.00	\$0.00	0.00%	0	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN055 - FLAT CREEK								
	\$18,542.25	\$18,542.25	100.00%	2	\$18,542.25	100.00%	2	\$0.00
FY: 2012 Fund Code:SN Project:SN056 - MUSSEL FORK								
	\$7,494.45	\$7,494.45	100.00%	1	\$7,494.45	100.00%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN057 - UPPER MONITEAU CREEK								
	\$22,965.20	\$22,962.36	99.99%	3	\$22,962.36	99.99%	3	\$0.00
FY: 2012 Fund Code:SN Project:SN060 - LITTLE CHARITON RIVER								
	\$20,062.65	\$20,062.65	100.00%	1	\$20,062.65	100.00%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN061 - UPPER TAVERN CREEK								
	\$0.00	\$0.00	0.00%	0	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN062 - LOWER MONITEAU CREEK								
	\$0.00	\$0.00	0.00%	0	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN063 - MUDDY CREEK								
	\$9,248.08	\$9,242.32	99.94%	1	\$9,242.32	99.94%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN064 - HOMINY CREEK								
	\$4,404.86	\$4,404.86	100.00%	3	\$2,941.86	66.79%	2	\$0.00
FY: 2012 Fund Code:SN Project:SN068 - LITTLE NORTH FORK SPRING CREEK								
	\$70,000.00	\$57,685.67	82.41%	30	\$31,383.05	44.83%	19	\$0.00
FY: 2012 Fund Code:SN Project:SN070 - SHOAL CREEK								

Master Fund Status Summary

<u>District</u>	<u>Allocated</u>	<u>Obligated</u>	<u>%Obligated</u>	<u># Contracts</u>	<u>Contract Payment</u>	<u>% Contract Payment</u>	<u># Contract Payments</u>	<u>Pending</u>
	\$45,000.00	\$32,996.39	73.33%	3	\$22,424.68	49.83%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN071 - BIG CREEK								
	\$69,081.00	\$33,797.00	48.92%	6	\$29,588.82	42.83%	4	\$0.00
FY: 2012 Fund Code:SN Project:SN072 - GREASY CREEK								
	\$70,546.68	\$13,553.87	19.21%	9	\$900.00	1.28%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN074 - LITTLE MARIES RIVER								
	\$55,000.00	\$53,829.41	97.87%	16	\$26,112.02	47.48%	5	\$1,170.59
FY: 2012 Fund Code:SN Project:SN075 - INDIAN CREEK								
	\$63,440.00	\$55,716.58	87.83%	6	\$19,391.07	30.57%	3	\$0.00
FY: 2012 Fund Code:SN Project:SN076 - MUDDY CREEK								
	\$80,000.00	\$19,254.33	24.07%	2	\$0.00	0.00%	0	\$0.00
FY: 2012 Fund Code:SN Project:SN077 - BEAR/BRUSH CREEK								
	\$30,000.17	\$29,984.43	99.95%	6	\$29,984.43	99.95%	6	\$0.00
FY: 2012 Fund Code:SN Project:SN079 - RAMSEY CREEK								
	\$40,000.00	\$34,159.29	85.40%	7	\$15,351.11	38.38%	3	\$0.00
FY: 2012 Fund Code:SN Project:SN081 - OSAGE PLAINS								
	\$50,000.00	\$37,236.12	74.47%	12	\$34,672.01	69.34%	8	\$3,254.87
FY: 2012 Fund Code:SN Project:SN082 - WOODS FORK/GASCONADE RIVER								
	\$50,000.00	\$50,000.00	100.00%	2	\$1,035.00	2.07%	1	\$0.00
FY: 2012 Fund Code:SN Project:SN083 - LOWER COLE CAMP								
	\$87,000.00	\$22,099.40	25.40%	11	\$15,944.50	18.33%	8	\$0.00
FY: 2012 Fund Code:SN Project:SN084 - SHOAL CREEK								

Master Fund Status Summary

<u>District</u>	<u>Allocated</u>	<u>Obligated</u>	<u>%Obligated</u>	<u># Contracts</u>	<u>Contract Payment</u>	<u>% Contract Payment</u>	<u># Contract Payments</u>	<u>Pending</u>
	\$60,000.00	\$59,713.55	99.52%	6	\$59,713.55	99.52%	6	\$0.00
FY: 2012 Fund Code:SN Project:SN085 - GRAYS CREEK								
	\$85,000.00	\$14,598.00	17.17%	10	\$1,848.00	2.17%	1	\$14,494.49
FY: 2012 Fund Code:SN Project:SN086 - MIDDLE FORK SALT RIVER								
	\$83,000.00	\$83,000.00	100.00%	6	\$32,037.36	38.60%	2	\$0.00
FY: 2012 Fund Code:SN Project:SN087 - LOWER LOUTRE								
	\$75,800.00	\$72,538.02	95.70%	12	\$49,561.26	65.38%	6	\$0.00
FY: 2012 Fund Code:SN Project:SN088 - LITTLE MARIES CREEK								
	\$48,000.00	\$3,724.61	7.76%	6	\$1,633.62	3.40%	1	\$5,312.10
FY: 2012 Fund Code:SN Project:SN089 - PEMISCOT CLAY ROOT								
	\$78,500.00	\$61,877.09	78.82%	30	\$25,188.85	32.09%	14	\$0.00
FY: 2012 Fund Code:SN Project:SN090 - SALT FORK CREEK								
	\$65,000.00	\$56,223.64	86.50%	12	\$40,094.46	61.68%	8	\$908.45
FY: 2012 Fund Code:SN Project:SN091 - ST. JOHN'S BAYOU								
	\$56,000.00	\$13,952.29	24.91%	4	\$12,465.75	22.26%	1	\$6,392.85
FY: 2012 Fund Code:SN Project:SN092 - BESS SLOUGH								
	\$85,000.00	\$85,000.00	100.00%	10	\$77,386.90	91.04%	9	\$0.00
FY: 2012 Fund Code:SN Project:SN093 - HURRICANE CREEK AND LITTLE WHITEWATER								
	\$72,000.00	\$57,615.81	80.02%	12	\$42,499.36	59.03%	8	\$0.00
FY: 2012 Fund Code:SN Project:SN094 - BYRD CREEK								
	\$122,483.00	\$66,304.50	54.13%	29	\$37,209.26	30.38%	19	\$0.00
FY: 2012 Fund Code:SN Project:SN095 - UPPER BIG CREEK								

Master Fund Status Summary

<u>District</u>	<u>Allocated</u>	<u>Obligated</u>	<u>%Obligated</u>	<u># Contracts</u>	<u>Contract Payment</u>	<u>% Contract Payment</u>	<u># Contract Payments</u>	<u>Pending</u>
	\$100,000.00	\$33,523.00	33.52%	41	\$6,836.00	6.84%	13	\$666.00
FY: 2012 Fund Code:SN Project:SN096 - CROWLEY'S RIDGE								
	\$68,155.00	\$5,379.42	7.89%	4	\$2,725.40	4.00%	1	-\$2,654.02
FY: 2012 Fund Code:SN Project:SN097 - PEARSON CREEK								
	\$59,078.00	\$30,839.68	52.20%	15	\$8,015.00	13.57%	7	\$15,402.00
FY: 2012 Fund Code:SN Project:SN098 - WARM FORK OF SPRING RIVER								
	\$76,450.00	\$39,830.09	52.10%	92	\$27,823.15	36.39%	68	\$0.00
FY: 2012 Fund Code:SN Project:SN099 - HEATHS CREEK								
	\$88,500.00	\$86,997.44	98.30%	11	\$81,089.23	91.63%	10	\$0.00
FY: 2012 Fund Code:SN Project:SN100 - ELK FORK SALT RIVER & COON CREEK								
	\$55,000.00	\$19,630.76	35.69%	4	\$19,630.76	35.69%	4	\$0.00
FY: 2012 Fund Code:SN Project:SN101 - CROOKED RIVER								
	\$79,000.00	\$78,999.38	100.00%	13	\$73,525.78	93.07%	11	\$0.00
FY: 2012 Fund Code:SN Project:SN102 - SOUTH WYACONDA								
	\$80,000.00	\$76,535.03	95.67%	15	\$63,308.88	79.14%	12	\$0.00
FY: 2012 Fund Code:SN Project:SN103 - LOWER HEADWATERS OF JAMES RIVER								
	\$73,740.00	\$56,940.77	77.22%	19	\$12,502.40	16.95%	6	\$4,135.50
FY: 2012 Fund Code:SN Project:SN104 - CLARK / WOLF CREEK								
	\$70,000.00	\$8,901.46	12.72%	7	\$4,050.00	5.79%	5	\$0.00
Subtotal for SN	\$2,402,291.34	\$1,540,845.92	64.14%	498	\$992,277.55	41.31%	298	\$49,082.83

Master Fund Status Summary

Master Fund Status Summary (2012)

Subtotal for R	\$31,615,674.73	\$22,856,490.79	72.29%	5670	\$13,436,257.64	42.50%	3066	\$1,255,825.98
Subtotal for SN	\$2,402,291.34	\$1,540,845.92	64.14%	498	\$992,277.55	41.31%	298	\$49,082.83
Report Totals	\$34,017,966.07	\$24,397,336.71	71.72%	6168	\$14,428,535.19	42.41%	3364	\$1,304,908.81

FY12 Second Supplemental Allocation Total

County	To Exclud. Enter 1	FY12 Supplemental Allocation	AWM %	Animal Waste	GM %	Grazing Management	IM %	Irrigation Management	SA %	Sensitive Areas	SRG %	Sheet, Rill & Gully	WE %	Woodland Erosion
State Totals		3,987,000.00		160,000.00		753,000.00		90,000.00		348,000.00		2,295,000.00		341,000.00
Adair		35,000.00	0	-	0	-	0	-	50	-	84	35,000.00	0	-
Andrew		35,000.00	0	-	2	-	0	-	5	-	89	35,000.00	0	-
Atchison		35,000.00	0	-	0	-	0	-	0	-	86	35,000.00	0	-
Audrain		35,000.00	0	-	0	-	0	-	0	-	93	35,000.00	0	-
Barry		105,000.00	100	25,000.00	98	25,000.00	0	-	0	-	91	35,000.00	100	20,000.00
Barton		60,000.00	0	-	100	25,000.00	43	-	6	-	100	35,000.00	0	-
Bates		35,000.00	0	-	42	-	0	-	28	-	86	35,000.00	0	-
Benton		15,000.00	0	-	29	-	0	-	42	-	97	15,000.00	0	-
Bollinger		-	0	-	71	-	78	-	7	-	57	-	24	-
Boone		35,000.00	0	-	67	-	0	-	7	-	82	35,000.00	62	-
Buchanan		35,000.00	0	-	0	-	0	-	39	-	98	35,000.00	0	-
Butler		65,000.00	0	-	28	-	95	20,000.00	0	-	98	35,000.00	90	10,000.00
Caldwell		80,000.00	0	-	84	25,000.00	0	-	90	20,000.00	87	35,000.00	0	-
Callaway		35,000.00	0	-	8	-	0	-	0	-	99	35,000.00	0	-
Camden		25,000.00	0	-	83	25,000.00	0	-	0	-	0	-	0	-
Cape Girardeau		40,000.00	0	-	0	-	83	20,000.00	81	20,000.00	52	-	0	-
Carroll		35,000.00	0	-	0	-	0	-	42	-	82	35,000.00	0	-
Carter		-	0	-	48	-	0	-	31	-	52	-	14	-
Cass		-	0	-	49	-	0	-	47	-	47	-	34	-
Cedar		40,000.00	0	-	98	25,000.00	0	-	66	-	91	15,000.00	33	-
Chariton		-	0	-	33	-	0	-	48	-	61	-	0	-
Christian		-	0	-	44	-	0	-	29	-	56	-	30	-
Clark		35,000.00	0	-	0	-	0	-	13	-	95	35,000.00	0	-
Clay		-	0	-	0	-	0	-	0	-	77	-	0	-
Clinton		35,000.00	0	-	0	-	0	-	0	-	100	35,000.00	0	-
Cole		60,000.00	47	-	86	25,000.00	0	-	71	-	82	35,000.00	41	-
Cooper		-	0	-	35	-	0	-	0	-	47	-	0	-
Crawford		15,000.00	0	-	59	-	0	-	0	-	79	-	100	15,000.00
Dade		50,000.00	0	-	99	25,000.00	0	-	80	10,000.00	100	15,000.00	52	-
Dallas		60,000.00	0	-	91	25,000.00	0	-	100	20,000.00	95	15,000.00	78	-
Daviess		35,000.00	0	-	16	-	0	-	22	-	97	35,000.00	0	-
Dekalb		35,000.00	0	-	28	-	0	-	12	-	86	35,000.00	77	-
Dent		65,000.00	0	-	99	25,000.00	0	-	41	-	94	30,000.00	94	10,000.00
Douglas		45,000.00	0	-	89	25,000.00	0	-	71	-	67	-	99	20,000.00
Dunklin		35,000.00	0	-	0	-	49	-	0	-	99	35,000.00	0	-
Franklin		35,000.00	100	35,000.00	34	-	0	-	53	-	59	-	0	-
Gasconade		45,000.00	0	-	100	25,000.00	0	-	69	-	0	-	94	20,000.00
Gentry		35,000.00	0	-	0	-	0	-	29	-	91	35,000.00	0	-

FY12 Second Supplemental Allocation Total

County	To Exclud. Enter 1	FY12 Supplemental Allocation	AWM %	Animal Waste	GM %	Grazing Management	IM %	Irrigation Management	SA %	Sensitive Areas	SRG %	Sheet, Rill & Gully	WE %	Woodland Erosion
Greene		10,000.00	52	-	62	-	0	-	67	-	63	-	83	10,000.00
Grundy		35,000.00	0	-	0	-	0	-	0	-	93	35,000.00	0	-
Harrison		35,000.00	0	-	50	-	0	-	0	-	83	35,000.00	0	-
Henry		70,000.00	0	-	89	25,000.00	0	-	100	10,000.00	98	35,000.00	0	-
Hickory		35,000.00	0	-	26	-	0	-	100	20,000.00	100	15,000.00	67	-
Holt		35,000.00	0	-	0	-	0	-	0	-	98	35,000.00	0	-
Howard		35,000.00	0	-	0	-	0	-	0	-	83	35,000.00	0	-
Howell		-	0	-	39	-	0	-	0	-	68	-	59	-
Iron		25,000.00	0	-	100	25,000.00	0	-	0	-	64	-	0	-
Jackson		35,000.00	0	-	0	-	0	-	0	-	92	35,000.00	0	-
Jasper		45,000.00	0	-	100	25,000.00	0	-	0	-	94	20,000.00	18	-
Jefferson		-	0	-	10	-	0	-	0	-	10	-	24	-
Johnson		35,000.00	0	-	0	-	0	-	0	-	99	35,000.00	58	-
Knox		35,000.00	0	-	0	-	0	-	0	-	100	35,000.00	0	-
Laclede		25,000.00	0	-	97	25,000.00	0	-	44	-	69	-	76	-
Lafayette		35,000.00	0	-	0	-	0	-	0	-	90	35,000.00	0	-
Lawrence		35,000.00	0	-	88	25,000.00	0	-	0	-	52	-	100	10,000.00
Lewis		35,000.00	0	-	0	-	0	-	0	-	100	35,000.00	0	-
Lincoln		-	0	-	0	-	0	-	0	-	73	-	0	-
Linn		35,000.00	0	-	0	-	0	-	0	-	81	35,000.00	0	-
Livingston		35,000.00	0	-	0	-	71	-	0	-	80	35,000.00	0	-
Macon		60,000.00	0	-	100	25,000.00	0	-	66	-	98	35,000.00	0	-
Madison		20,000.00	0	-	40	-	0	-	0	-	55	-	92	20,000.00
Maries		96,000.00	0	-	99	25,000.00	0	-	91	20,000.00	97	35,000.00	100	16,000.00
Marion		35,000.00	0	-	0	-	0	-	0	-	84	35,000.00	0	-
McDonald		47,000.00	100	25,000.00	100	22,000.00	0	-	67	-	62	-	52	-
Mercer		35,000.00	0	-	0	-	0	-	0	-	95	35,000.00	29	-
Miller		50,000.00	87	50,000.00	71	-	0	-	79	-	37	-	55	-
Mississippi		-	0	-	0	-	56	-	0	-	48	-	0	-
Moniteau		35,000.00	0	-	9	-	0	-	32	-	80	35,000.00	0	-
Monroe		35,000.00	0	-	62	-	0	-	0	-	100	35,000.00	0	-
Montgomery		60,000.00	0	-	100	25,000.00	0	-	4	-	100	35,000.00	0	-
Morgan		42,000.00	0	-	94	22,000.00	0	-	90	20,000.00	55	-	0	-
New Madrid		-	0	-	0	-	52	-	0	-	69	-	0	-
Newton		-	63	-	76	-	0	-	29	-	15	-	57	-
Nodaway		35,000.00	0	-	0	-	0	-	20	-	99	35,000.00	0	-
Oregon		60,000.00	0	-	91	25,000.00	0	-	69	-	96	15,000.00	100	20,000.00
Osage		20,000.00	0	-	63	-	0	-	48	-	74	-	86	20,000.00

FY12 Second Supplemental Allocation Total

County	To Exclud. Enter 1	FY12 Supplemental Allocation	AWM %	Animal Waste	GM %	Grazing Management	IM %	Irrigation Management	SA %	Sensitive Areas	SRG %	Sheet, Rill & Gully	WE %	Woodland Erosion
Ozark		70,000.00	0	-	83	25,000.00	0	-	85	20,000.00	92	15,000.00	89	10,000.00
Pemiscot		35,000.00	0	-	0	-	79	-	0	-	84	35,000.00	0	-
Perry		20,000.00	0	-	0	-	0	-	84	20,000.00	75	-	0	-
Pettis		46,000.00	0	-	94	11,000.00	0	-	18	-	100	35,000.00	0	-
Phelps		55,000.00	0	-	100	25,000.00	0	-	99	10,000.00	45	-	100	20,000.00
Pike		35,000.00	0	-	55	-	0	-	0	-	86	35,000.00	25	-
Platte		15,000.00	0	-	0	-	0	-	0	-	90	15,000.00	0	-
Polk		35,000.00	0	-	98	25,000.00	0	-	93	10,000.00	38	-	32	-
Pulaski		35,000.00	0	-	0	-	0	-	61	-	94	35,000.00	48	-
Putnam		55,000.00	0	-	43	-	0	-	87	20,000.00	83	35,000.00	0	-
Ralls		35,000.00	0	-	29	-	0	-	0	-	85	35,000.00	0	-
Randolph		45,000.00	0	-	36	-	0	-	0	-	92	35,000.00	83	10,000.00
Ray		35,000.00	0	-	0	-	15	-	8	-	99	35,000.00	0	-
Reynolds		20,000.00	0	-	59	-	0	-	0	-	52	-	96	20,000.00
Ripley		70,000.00	0	-	82	25,000.00	100	10,000.00	44	-	81	35,000.00	61	-
Saline		35,000.00	0	-	0	-	0	-	0	-	96	35,000.00	0	-
Schuyler		45,000.00	0	-	0	-	0	-	100	10,000.00	97	35,000.00	0	-
Scotland		53,000.00	0	-	64	-	0	-	100	18,000.00	99	35,000.00	0	-
Scott		55,000.00	0	-	0	-	92	20,000.00	0	-	96	35,000.00	0	-
Shannon		-	0	-	57	-	0	-	0	-	72	-	56	-
Shelby		35,000.00	0	-	0	-	0	-	0	-	97	35,000.00	0	-
St. Charles		-	0	-	0	-	0	-	0	-	21	-	0	-
St. Clair		45,000.00	0	-	97	25,000.00	0	-	100	20,000.00	56	-	0	-
St. Francois		-	0	-	21	-	0	-	0	-	36	-	0	-
St. Louis		-	0	-	0	-	0	-	0	-	0	-	0	-
Ste. Genevieve		35,000.00	0	-	55	-	0	-	64	-	94	15,000.00	90	20,000.00
Stoddard		55,000.00	0	-	0	-	81	20,000.00	60	-	100	35,000.00	75	-
Stone		48,000.00	0	-	87	23,000.00	0	-	0	-	89	15,000.00	100	10,000.00
Sullivan		35,000.00	0	-	0	-	0	-	10	-	97	35,000.00	0	-
Taney		35,000.00	0	-	59	-	0	-	18	-	91	15,000.00	92	20,000.00
Texas		125,000.00	99	25,000.00	99	25,000.00	0	-	98	20,000.00	100	35,000.00	97	20,000.00
Vernon		55,000.00	0	-	66	-	0	-	83	20,000.00	80	35,000.00	0	-
Warren		15,000.00	0	-	0	-	0	-	73	-	86	15,000.00	29	-
Washington		-	0	-	5	-	0	-	0	-	36	-	9	-
Wayne		-	0	-	74	-	0	-	24	-	23	-	13	-
Webster		40,000.00	50	-	78	-	0	-	81	20,000.00	61	-	100	20,000.00
Worth		35,000.00	0	-	0	-	0	-	0	-	94	35,000.00	0	-
Wright		45,000.00	33	-	99	25,000.00	0	-	99	20,000.00	73	-	57	-

February 23, 2012

Board of Supervisors
«County» Soil and Water
Conservation District
«ADDRESS»
«CITY», MO «ZIP»

Dear Supervisors:

Due to the exceptional efforts of local soil and water conservation districts in assisting landowners in implementing conservation practices early in the fiscal year, additional funding is being provided to districts. The commission set the qualifying criterion at 80 percent of fiscal year (FY) 2012 allocated cost-share funds for a particular resource concern as of February 15, 2012. This letter explains your Second FY12 Supplemental Cost-Share Allocation based on your district's FY12 Needs Assessment and measured progress of obligated funds allocated to your district.

All districts meeting the 80 percent threshold received minimum funding to allow for the completion of at least one practice in each resource concern. The following table identifies the resource minimum and the average state cost-share for a practice, plus 25 percent to ensure the completion of the practice. A supplemental resource maximum allocation was used to ensure funding equity amongst districts. If your district received an allocation between the resource minimum and maximum, the allocation was limited to 100 percent of the needs assessment funds requested for FY12.

Second FY12 Supplemental Cost-Share Allocation Funding Ranges

Resource Concern	Resource Minimum	Resource Maximum	State Cost-Share Average +25%
Animal Waste Management	\$ 25,000.00	\$ 50,000.00	\$ 32,000.00
Grazing Management	\$ 10,000.00	\$ 25,000.00	\$ 3,000.00
Irrigation Management	\$ 10,000.00	\$ 20,000.00	\$ 6,000.00
Sensitive Areas	\$ 10,000.00	\$ 20,000.00	\$ 5,000.00
Sheet, Rill, & Gully	\$ 15,000.00	\$ 35,000.00	\$ 6,000.00
Woodland Erosion	\$ 10,000.00	\$ 20,000.00	\$ 4,000.00

Ninety-five soil and water conservation districts qualified for the Second FY12 Supplemental Cost-Share Allocation. The following table shows the resource concern(s) in which your district received additional funding.

«County» SWCD
February 23, 2012
Page two

«County» County Soil and Water Conservation District		
Resource Concern	Obligated Percentage	Allocation
Animal Waste Management	«AWM_»	\$ «Animal_Waste_»
Grazing Management	«GM_»	\$ «Grazing_Management_»
Irrigation Management	«IM_»	\$ «Irrigation_Management_»
Sensitive Areas	«SA_»	\$ «Sensitive_Areas_»
Sheet, Rill, & Gully	«SRG_»	\$ «Sheet_Rill_Gully_»
Woodland Erosion	«WE_»	\$ «Woodland_Erosion_»
Total:		\$ «FY12_Supplemental_Allocation_»

CHANGE ORDERS: Districts that have submitted board-approved FY13 contracts and would like to fund those contracts using FY12 funds, may submit a Change Order for the contracts' termination dates. Contracts with termination dates prior to June 15 will be funded with FY12 funds.

The program office would like to commend every district for the efforts they put forth in meeting this goal. The districts' exceptional efforts demonstrate the dedication that staff and board members have in supporting Missouri agriculture through the implementation of soil and water conservation practices. Program staff has entered the Second FY12 Supplemental Cost-Share Allocation into MoSWIMS. The Missouri Soil & Water Information Management System (MoSWIMS) will continue to monitor cost-share obligations and ensure the program fully utilizes the FY12 cost-share appropriation activity.

If you have any questions regarding the content of this letter, please contact your district coordinator. Thank you.

Sincerely,

SOIL AND WATER CONSERVATION PROGRAM

Ken Struemp
District Operations Section

February 27, 2012

Board of Supervisors
«County» Soil and Water
Conservation District
«ADDRESS»
«CITY», MO «ZIP»

Dear Supervisors:

Due to the exceptional efforts of local soil and water conservation districts in assisting landowners in implementing conservation practices early in the fiscal year, additional funding is being provided to districts. The commission set the qualifying criterion at 80 percent of fiscal year (FY) 2012 allocated cost-share funds for a particular resource concern as of February 15, 2012. Ninety-five soil and water conservation districts qualified for the Second FY12 Supplemental Cost-Share Allocation. While your district did not meet the criteria to receive additional funds through the Second FY12 Supplemental Cost-Share Allocation, the program would like to reiterate that the district may continue to submit contracts until either the district's allocation is used in its entirety or MoSWIMS shuts down as described below. The efforts of every district help make the success of the cost-share program possible and your district's efforts have been essential to this success.

CHANGE ORDERS: Districts that have submitted board-approved FY13 contracts and would like to fund those contracts using FY12 funds, may submit a Change Order for the contracts' termination dates. Contracts with termination prior to June 15, 2012 will be funded with FY12 funds.

The program office would like to commend every district for the efforts they put forth in meeting this goal. The districts' exceptional efforts demonstrate the dedication that staff and board members have in supporting Missouri agriculture through the implementation of soil and water conservation practices. The Missouri Soil & Water Information Management System (MoSWIMS) will continue to allow the program to monitor cost-share obligations and ensure the program fully utilizes the FY12 cost-share appropriation activity.

If you have any questions regarding the content of this letter, please contact your district coordinator. Thank you.

Sincerely,

SOIL AND WATER CONSERVATION PROGRAM

Ken Struempf
District Operations Section

KS:afd

Letter sent to the following districts that will have active projects in fiscal year 2013: Benton, Bollinger, Cape Girardeau, Cass, Clinton, Cole, Dunklin, Greene, Macon, Montgomery, Oregon, Osage, Pemiscot, Pettis, Randolph, Ray, Saline, Scott, Scotland, Stoddard, Webster, and Wright

February 21, 2012

Board of Supervisors
«County» Soil and Water
Conservation District
«ADDRESS»
«CITY», MO «ZIP»

Dear Supervisors:

Following the precedence that the Soil and Water Districts Commission established with regular cost-share allocation, a one-time SALT advanced cost-share allocation is available for districts. A board letter must be submitted to the Soil and Water Conservation Program to request fiscal year (FY) 2013 funds with a deadline (postmarked) of March 30, 2012. The advance allocation is limited to 18 percent of the total FY 2013 allocation. Upon receiving your request, the program office will notify your district by email when the funds have been entered into MoSWIMS. After the funds are available, the district can start creating SALT contracts for FY 2013. The fiscal year from which funds will be obligated to a contract will be based on the termination date. If a landowner is awarded a contract utilizing these funds, the landowner needs to be informed that they cannot receive payment for the practice until after July 1, 2012, regardless of when the practice is completed. The remaining FY 2013 SALT allocation will be provided to the districts for use on July 1, 2012. Districts that do not request advance allocation funds will receive their entire allocation at that time.

On January 27, 2012, Jeremia Markway sent your district an email addressing an advanced allocation for Nutrient and Pest Management practices. If you have a need for FY 2013 SALT allocation for Nutrient and/or Pest Management and you have not already contacted Jeremia with your request, please include this in your SALT advanced allocation request letter. The program will provide an advanced allocation of 100 percent of the estimated Nutrient and Pest Management FY 2013 contracts in addition to up to 18 percent of the remaining SALT allocation.

The program hopes that this advanced allocation will help landowners by increasing the available timeframe to get conservation practices on the ground; thereby increasing utilization of SALT funds and helping your district meet its goals.

If you have questions, please contact your SALT coordinator. Thank you.

Sincerely,

SOIL AND WATER CONSERVATION PROGRAM

Katy Holmer
District Operations Section
KH:

1. **Project Title:** Multipurpose Cover Crop and Conservation Practices for a Sustainable Agricultural System to Improve Soil Health, Environmental Quality, and Farm Productivity.
2. **Primary area for consideration:**
 - 2.1. Nutrient management, 2.2. Energy Conservation, 2.3. Soil Health, and 2.4. Wildlife

This project addresses all objectives of the Mississippi River Basin Healthy Watersheds Initiative by optimizing nutrient management, reducing downstream nutrient loads, maintaining agricultural productivity, and enhancing wildlife habitat and other ecosystem benefits.
3. **Project duration:** start date September 1, 2012 to August 31, 2015 (three years).
4. **Project director name, contact information:** Ranjith Udawatta, Associate Professor, Research, Department of Soil, Environmental and Atmospheric Sciences, 302 ABNR Building, University of Missouri, Columbia, MO 65211. Ph: 573-882-4347; Fax: 573-882-1977; email: UdawattaR@missouri.edu
5. **Names and affiliation of project collaborators:**
 - 5.1. Dr. Shibu Jose, Dr. Clark Gantzer, Dr. Larry Godsey, Mahela Cernusca, and Timothy Reinbott; University of Missouri-Columbia.
 - 5.2. Michael Snellen; NRCS Chariton County, Missouri
 - 5.3. Jeremia Markway; Missouri Department of Natural Resources
 - 5.4. Dr. Robert Kremer; USDA-ARS, University of Missouri-Columbia
 - 5.5. Kenny Reichert, Chairman, Chariton County SWCD
 - 5.6. Jim Rolls, land agent, Associated Electric Cooperative Inc.
 - 5.7. Brent Vandeloecht, Missouri Department of Conservation
 - 5.8. Wayne Crook, University of Missouri Extension
6. **Project purpose:** This multi-institutional and multi-disciplinary project aims to encourage widespread adoption of practices that improve soil health by demonstrating the environmental and economic benefits that can be achieved by implementing a system of conservation practices. The suite of practices that will be adopted are cover crops, conservation crop rotation, residue management/no-till, nutrient management, and pest management. The purposes of this proposal are to: 1) *demonstrate the environmental benefits of adopting a production system focused on soil health*. Benefits include reducing offsite nutrient loading and pesticide losses to surface water, soil erosion, and improving soil quality, 2) *demonstrate the economic benefits* of adopting a production system of soil health including increased productivity, decreased input costs and decreased structural treatment cost, 3) *promote the adoption of soil health conservation systems* by demonstrating the effectiveness and successful implementation, and 4) *enhance other ecosystem benefits* including increased diversity of wildlife habitat and populations of beneficial insects. The study will also demonstrate benefits of the proposed techniques for reducing dependency on fossil fuel, energy savings through adaptive management, reductions in nonpoint source pollution (NPSP), and agricultural chemical inputs by incorporating legumes into conservation practices that reduce or eliminate the need for synthetic fertilizers.
7. **Project area/location:** The 85 ac project area is located in S5&8-T54N-R16W near the town of Prairie Hill in Chariton County, Missouri. The farm is within the Central Claypan Areas, Major Land Resource Area (MLRA) 113, of northeast Missouri. This farm is owned by Associated Electric Cooperative Inc. (AECI) who has leased the farm to the Chariton County Soil and Water Conservation District (SWCD) for a period of 10 to 15 years to develop a demonstration project to highlight the benefits of adopting a system of conservation practices

that address nutrient management, soil health and productivity, soil erosion, and water quality. This farm consists of Armstrong loam, 5 to 9 percent slopes, Grundy silt loam, 2 to 5 percent slopes, and Bevier silty clay loam, 2 to 5 percent slopes.

8. Project summary: This project is unique; the idea was originated from a group of farmers who want to demonstrate benefits of conservation practices. This project proposal addresses nutrient management, energy conservation, soil health, and wildlife, all four areas of consideration for 2012 CIG and following sub-areas:

- 8.1. Optimal combinations of nutrient source, application rate, placement, and application timing on no-till corn-soybean-wheat management (Priority Need)
- 8.2. Energy savings through adaptive management and use of legumes instead of fertilizers
- 8.3. Demonstrate and quantify cover crops, crop rotations, and tillage on soil chemical, physical, and biological properties and their relationships with nutrient cycling, soil water availability, and plant growth (Priority Need).
- 8.4. Quantify nutrient supply and water holding capacity as a function of improved soil properties, management practices (no-till, till, and rotational tillage), and cover crops.
- 8.5. Study effects of multispecies cover crop mixes on increased biomass production.
- 8.6. Demonstrate and quantify the effects pollinator species on pollinator habitat and other wildlife. Develop strategies to integrate pollinator habitat management into agricultural landscape to promote holistic, ecosystem-based conservation plans that support full suite of ecosystem services.

Procedures: Sub-watersheds (5-8 ac) will be identified within the farm; on corn-soybean and on corn-soybean-wheat rotation to establish demonstrations. Multi-species cover-crop cocktails such as a mixture of cowpea, soybean, millet, radish, turnip and sunflower together, and single species cover crops such as hairy vetch, crimson clover, Austrian winter pea, tillage radish, cereal rye and oats, sun hemp, sesbania, and cowpea will be established after the cash crop is harvested on eight watersheds, four on each cover crop type and two on each crop rotation. Two soil sampling schemes will be conducted; (1) comprehensive sampling to characterize soils in the farm and (2) to evaluate differences in conservation practices. Soils will be sampled to a 50-cm depth by 10-cm increments by landscape positions (upper, middle, and lower) in three transects on each watershed on each year (in June) and before the establishment of crops to demonstrate changes in soil quality parameters. These will include soil carbon (C), forms of C, N, P, enzyme activity, microbial biomass, microbial diversity, nematodes, soil web test, water stable aggregates, soil bulk density, porosity, infiltration, and water holding capacity. These watersheds will be instrumented with water sampling devices, flumes, and approach sections to collect runoff water to evaluate water quality improvements (sediment, total N, Nitrate, Total P, and dissolved P). Weather stations (consist of net radiometer, wind speed and direction, relative humidity, and air temperature sensors) and soil moisture sensors will be installed at selected locations to demonstrate effects of conservation practices on soil health and explain moisture-weather relationships on soil activities (mineralization, biological activities, and evapotranspiration). Biomass samples will be collected using 0.5 m² frames to quantify biomass in each management type and to determine plant nutrient status. Insects and other wildlife also will be assessed using surveys and trapping techniques. Pre- and post-surveys will be conducted on Field days. These surveys will determine participants' interest about the practices, understanding of the financial and environmental benefits of the practices, and barriers to adoption of the practices.

Input and output cost data will be collected from the beginning of the study to demonstrate differences and comparative benefits of each management practice. Financial indicators of net present value, internal rate of return, annual equivalent value, and payback period will be analyzed for each cover crop system.

Results from this multidisciplinary project combines soil, plant, water, wildlife, management, and cost/benefit to help demonstrate how cover crop and nutrient management practices improve farm productivity/income and soil health and reduce NPSP from agricultural watersheds in the Midwest. Field days, onsite demonstrations, and publications will help disseminate new knowledge and stimulate adoption of these conservation practices.

- 9. Project deliverables/products:** A key outcome of the proposal will be demonstration and quantification of improvements in soil health, ecosystem services, energy conservation, and economic benefits and reductions in use of synthetic based fertilizers and agrichemicals. We anticipate that results of the project stimulate adoption of these conservation practices by landowners and farmers in the region and other areas. Results of this study will help generate the following documents and train several individuals in establishment and maintenance techniques of cover crops and vegetative buffer practices:

- 9.1. A series of technical publications and guide sheets will be prepared on how to use cover crops to maximize farm production and environmental benefits.
- 9.2. A decision support tool will be developed for farmers, landowners, and agency personnel to determine the management of cover crops. It is anticipated this approach will enable comparisons among various cover crop management practices and conservation practices with respect to soil and water quality improvements and farm productivity.
- 9.3. A cost/benefit analysis will be conducted for each cover crop in order to identify the most financially beneficial crop system.
- 9.4. Extension Outreach Field Days and Workshops for ~150 Landowners and Farmers on "How to establish and maintain vegetative practices to improve farm productivity and soil health and reduce NPSP from agricultural management practices." SWCD will conduct field days with Extension.
- 9.5. Program outreach: We will train and employ a small group of progressive local landowners as peer-to-peer "agents" for one-on-one interaction with other landowners/farmers to encourage adoption of cover crop and nutrient management practices.
- 9.6. Information will be presented at Missouri Soil and Water Conservation Conference, Missouri Natural Resource conference, International Crop-Soil-Agronomy Conference, and International Soil and Water Conservation Conference.

- 10. Declaration of EQIP eligible producer involvement:** The project site is donated by Associated Electric Cooperative Inc. to the Chariton County Soil and Water Conservation District to use for a demonstration site on soil health, water quality, ecosystem benefits, and farm productivity and the site is EQIP eligible.
- 11. Declaration of Beginning Farmer or Rancher, limited Resource Farmer or Rancher, Socially Disadvantaged Farmer or Rancher or Indian tribe:** This multi-institutional collaborative study will encourage active participation of landowners and farmers as well as beginning farmers to adopt cover crop and other conservation practices to improve farm productivity and income and reduce NPSP from row crop watersheds in the region. The participating landowner does not qualify for the above category.

ITEM	CATEGORY	Yr-1	Yr-2	Yr-3	TOTAL
<u>MATCHING FUNDS</u>					
1	AECI land value	10200	10200	10200	30600
2	Seeding cover crop (labor/tractor)	1133	1133	1133	3399
3	Chariton County SWCD no-till drill	680	680	680	2040
4	Cash Rent	6800	6800	6800	20400
5	Cover Crop Solution (donate cover crop seed)	3400	3400	3400	10200
6	Row crop seed donated (corn,soybean,wheat)	4850	4850	4850	14550
7	Missouri Dept of Natural Resources	183500	37500	29000	250000
	7.1. Comp soil sampling and characterization	14000	14000	0	28000
	7.2. Four complete weather stations & supplies	27000	2000	2000	31000
	7.3. Spad Meter – Chlorophyll	3000	1000	1000	5000
	7.4. Herbicide and antibiotic analysis	5000	13000	13000	31000
	7.5. Four concrete flumes and supplies	63000	0	0	63000
	7.6. Water samplers and accessories	30000	6000	4000	40000
	7.7. Soil moisture and temp sensors, data logger	41500	1500	1000	44000
	7.7. Publication (manuscripts, proceedings)	0	0	8000	8000
8	Matching Funds Total	210563	64563	56063	331189
<u>CIG REQUEST</u>					
9	Salaries				
	Salary for PI (1 month each year)	6000	6250	6490	18740
	Wages (hourly)	15500	15000	16000	46500
	Extension & Outreach (hourly)	1500	1500	1500	4500
	Total salaries	23000	22750	23990	69740
10	Fringe Benefit (31.87%)	1912	1992	2068	5972
11	Laboratory & Field Supplies				
	Water sampling devices and maintenance	76000	8000	4000	88000
	Foodweb testing (Soil Biology)	850	9500	950	11300
	Nematode Race Testing	500	600	800	1900
	Cover crop seed	6500	2000	2000	10500
	Plant tissue testing	1500	2000	2500	6000
	Water quality laboratory supplies	6400	8600	10500	25500
	Soil quality laboratory supplies and analysis	12000	12500	14000	38500
	Total Supplies Cost	103750	43200	34750	181700
12	Extension and Outreach Activities				
	Printed material	400	600	750	1750
	Postage	100	120	150	370
	Pre and post survey evaluation	900	300	250	1450
	Total Extension and Out Reach Cost	1400	1020	1150	3570

13	Travel				
	To study sites	1800	1600	2000	5400
	Field day, extension, demonstration	0	2400	3900	6300
	National and International Meetings	0	1200	4600	5800
	NRCS Meeting	1000	1000	1000	3000
	Total Travel Cost	2800	6200	11500	20500
14	Total Direct Cost	132862	75162	73458	281482
15	Indirect (17.65%)	23450	13266	12965	49682
16	Total CIG Request	156312	88428	86424	331164
17	TOTAL PROPOSAL BUDGET	366875	152991	142487	662353

Budget Explanation

The total proposal budget is \$662,353. We are requesting \$331,164 from the 2012 National Conservation Innovation Grant. We have a cash contribution of \$250,000 from Missouri Department of Natural resources. Additionally, we also have included other cash contributions (donations of seeds and cash rent) and in-kind contributions. The cash and in-kind contributions account for 45% and 5%, respectively, of the total budget. The budget we submit with the pre-proposal is preliminary and the final version will be submitted with the full proposal.

1. Associated Electric Cooperative Inc. (AECI) land value for 85 acres.
2. SWCD-Chariton County will use their equipment for seeding covercrop seeds.
3. Chariton Country NRCS office will use their no-till drill for farm activities.
4. Cash rent value for 85 acres.
5. Cover Crop Solution will provide cover crop seeds for the demonstration project.
6. Corn, soybean, and wheat seeds will be donated by suppliers.
7. Missouri Department of Natural Resources will provide \$250,000 for the demonstration project. This money will be used for comprehensive soils survey and characterization, weather instrumentation, water samplers, chlorophyll reading meter, soil moisture sensors, herbicide and antibiotics analysis, and publications in proceedings and peer-reviewed journals.
8. Matching funds total: The sum of items 1 through 7.
9. Salaries and Wages: Dr. Udawatta is requesting compensation for 1 month each year of time devoted to the project. Salary is also requested for student help and extension for study establishment, sampling, sample analysis, and extension.
10. Fringe Benefits: Fringe benefits for the PI salary calculated using university projected rate of 31.87%.
11. Laboratory and Field Supplies: Funds are requested to defray costs associated with soil, water, and plant sampling and analysis. These materials require samplers and storage containers. Chemicals, enzyme assay material, routine laboratory materials and supplies (glassware, plasticware, pipettes and pipette tips, consumables) are required for soil, water, and plant analysis.
12. Extension and Outreach: Funds are requested for printing extension material, postage, survey software, and for surveys.
13. Travel: Funds are requested for travel to study sites (18, 16, and 20 trips @ \$0.50 for ~200 miles in years 1, 2, and 3), extension activities, and present results at regional, national,

and international meetings (Missouri Soil and Water Conservation Conference, Missouri Natural Resource conference, International Crop-Soil-Agronomy Conference, and International Soil and Water Conservation Conference). Travel money is also requested to attend NRCS designated travel.

14. Total Direct Cost: The sum of item 9 through 13.
15. Indirect Cost: Indirect cost for the Total CIG Request (item 14).
16. Total CIG Request: The sum of total direct cost and indirect costs.
17. Total Proposal Budget: The sum of items 8 (matching funds) and 16 (CIG request).

13

**Chariton County
Soil and Water Conservation District**

104 South John F. Kennedy Ave.

Keytesville, MO 65261

Phone: (660) 288-3279 Ext. 3

Fax: (660) 288-3701

March 7, 2012

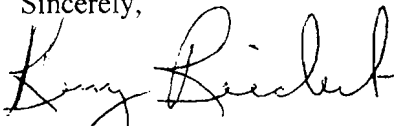
Soil and Water Conservation Program Office
Board of Commissioners
PO Box 176
Jefferson City, MO 65102

Dear Commissioners:

The Chariton County Soil and Water Conservation District, along with DNR and NRCS, has been working to finalize the Cover Crop Pilot Practice approved by the Commission at the January 11, 2012 Commission Meeting in Jefferson City, MO.

The Commission has asked that the district estimate the funding needed for a successful pilot practice. Through much research and consideration, the Chariton County Board of Supervisors feels that offering our landowners \$75 per acre, with a maximum of 40 acres for the term of the contract 3-4 years would be an accurate incentive payment to demonstrate this practice. The district believes that 20-25 landowners will take advantage of the cover crop practice. Therefore, the Chariton County Board of Supervisors would like to request \$50,000 annually for 4 years, for a total of \$200,000 in funding to offer the Cover Crop Pilot Practice to our landowners. This requested amount will treat 680 cropland acres for up to 4 years in an effort to reduce soil erosion and improve water quality.

Sincerely,



Chariton County
Board of Supervisors



Jeremiah W. (Jay) Nixon, Governor • Sara Parker Pauley, Director

DEPARTMENT OF NATURAL RESOURCES

www.dnr.mo.gov

MEMORANDUM

2012-016

DATE: December 16, 2011

TO: All Soil and Water Conservation Districts

FROM: ^{KC}Ken Struempf, District Operations Section
Soil and Water Conservation Program

SUBJECT: Natural Disaster Assessments Extended

The Soil and Water Districts Commission, in its last two business meetings, has approved funding statewide to address damages to conservation practices caused by natural disasters. At the November 28, 2011 meeting, the commission directed the program office to continue accepting requests for assistance needed to repair or implement new practices in response to damages caused by natural disaster events.

This additional time will allow districts to conduct assessments for practices that may not be able to be evaluated at this time. For additional information on documentation that should be submitted, please refer to MEMO 2012-001. Any additional requests will be presented to the commission at a future commission meeting.

Thank you for your efforts in assisting Missouri landowners as they recover from these events. If you have any questions or require assistance with the disaster evaluation process, please contact your district coordinator or Alan Freeman at alan.freeman@dnr.mo.gov.

KS:kbd

F-5-a

Dunklin County Soil and Water Conservation District

704 North By Pass
Kennett, MO 63857- Phone (573) 888-2480
Fax (573) 888-2970

MISSOURI SOIL AND WATER CONSERVATION COMMISSION
PO Box 176
Jefferson City, Mo 65101

March 5, 2012

Dear Board of Commissioners:

The Dunklin County Soil and Water Conservation District would like to submit a request for natural disaster assistance funding. Dunklin County endured the worst flood ever recorded by receiving 16"-22" of rainfall over a 10 day period, during the spring of 2011. This storm event was coupled by occurring on already saturated soils, thus most if not all of the rainfall received became run-off. Dunklin County Drainage District # 2 has received federal funding (3.2 million) for sediment removal projects through the Emergency Watershed Program (EWP). The monies to be awarded are specifically designated to excavate the sediments that eroded into the main ditches and caused extensive damage.

The Drainage District no longer allows open cuts into drainage ditches; but, requires the adjoining landowners of the EWP projects to install pipe structures into any open field drainages that empty into the main ditches to reduce future sediment deposits. Approximately 115 miles of main ditches have been surveyed by USDA-NRCS for the project. The Dunklin County SWCD has determined that an average of five (5) N410 drop-pipe structures per mile will be needed to properly correct erosion issues. This will be approximately 575 drop-pipes. The average cost to install one pipe structure is estimated to be \$2500.

We believe that it is one of our main goals and responsibilities to protect and improve the soil and water resources of Dunklin County, and we believe that the Drainage District is also working to improve those resources. Therefore, we would like to assist local landowners within the EWP project area with the cost of installing the required drop-pipe structures. It would be favorable to follow the federal disaster repairs of removing the deposited silt in tandem by the installation of grade stabilization structures.

The cost of installing an estimated 575 drop-pipe structures will greatly exceed our normal allocation of cost-share funding for soil erosion practices; therefore, we would like to respectfully request additional natural disaster assistance funding in the amount of \$1,440,000.00, with the funds to be spread out over the next two fiscal years (\$720,000 for FY2012 and \$720,000 for FY2013). We want to make clear these are new practices. At this time, we have found no existing practices that require reconstruction. We respectfully request

Dunklin County Soil and Water Conservation District

704 North By Pass
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to be placed on the agenda at the Soil and Water Conservation Commission meeting to be held on March 21, 2011. We would like to fully explain our views and position on the current problems of this specific issue.

Respectfully;

A handwritten signature in black ink, appearing to read "Sean A. Droke", with a long horizontal flourish extending to the right.

Dunklin County SWCD Board of Supervisors

Enclosures: Consolidated Drainage District #2 letter and policies

***Consolidated Drainage District #2
of Dunklin County
P.O. Box 399
Kennett, MO 63857***

Dear Landowners:

Consolidated Drainage District #2 of Dunklin County has applied and received emergency funding for removing sediment and re-digging ditches. The source of the funding is the Natural Resources Conservation Services (NRCS) Emergency Watershed Protection Program. The work will begin as early as March 1, 2012 on the ditches listed on the reverse page.

Your assistance is needed, and will help provide longer lasting drainage benefits for your farms which are served by these ditches. Please read the enclosed policy which pertains to open field drains, ditch crossings and other obstructions that prevent the natural flow of water. Pivot bridges are also required to be level with the top of the ditch bank.

This is a very important matter, as our contractor will fill in any open field drains entering District ditches which do not have pipe on site and available to install. Cost-sharing is available at first come – first serve basis at the Dunklin County Soil & Water Conservation District (SWCD) office. If you desire to use this resource, we recommend you make an appointment with SWCD staff by calling (573) 888-2536, extension #3 at your earliest possible opportunity.

If you have any other questions call any of the following District board members:

Elton "Corky" Dalton	(573) 738-3232
Sean Droke	(573) 738-2612
Jerris Don Harris	(573) 717-6477
Tim Jamerson	(573) 737-2231
Brad McPherson	(870) 761-2337

As per item #5 on the enclosed Policy on '*Field Drains and Obstructions to District Ditches*', steel pipe is available from Northside Steel and Pipe Company, in Jonesboro, Arkansas. Their phone number is (800) 553-1373. Steel pipe is also available from other sources.

Thank you for your assistance and cooperation.

Tim Jamerson
President

Enclosure: List of Ditches & Policy

CONSOLIDATED DRAINAGE DISTRICT NO. 2 OF DUNKLIN COUNTY, MISSOURI

POLICY ON FIELD DRAINS AND OBSTRUCTIONS TO DISTRICT DITCHES

Approved by the Board of Supervisors: July 23, 2010

The District's primary mission is flood control and drainage improvement. The Federal Clean Water Act seems to involve Corps of Engineers oversight in the operation of the District, especially regarding siltation and erosion control. The Board believes our District's response must include the following steps to minimize siltation and erosion, comply with Federal regulations, and maintain the District in the best economic interests of our Landowners:

1. The District will fill open drains into a District ditch in the course of normal ditch maintenance.
2. If a Landowner refuses to install or allow the installation of erosion control pipes, the District will assess any dredging or other maintenance expense accruing because of the absence of erosion control pipes against the Landowner.
3. The District will require floodgates on all pipes through ditch banks designated as levees in the District's Plan of Reclamation.
4. The District will require Landowners to obtain District approval before installation of any proposed irrigation pivot bridges, pipes crossing District ditches, or any other obstruction or encroachment on District ditches. If a Landowner fails to obtain prior approval from the District for any such installation, the District will assess any dredging or other maintenance expense accruing because of the installation against the Landowner, and, if necessary to preserve the normal flow of water in District ditches, remove the installation at Landowner's expense.
5. The District urges landowners to request and use smooth steel pipes and floodgates rather than corrugated galvanized, plastic, or other types of material. Benefits of smooth steel include a longer life and sturdier construction. The District will not be responsible for damage done during mowing or ditch maintenance to pipes or floodgates not made of smooth steel.
6. The District will contact Landowners and Tenants located along District ditches undergoing a maintenance project so that affected persons may have time to contact NRCS for assistance.
7. The District will notify NRCS of maintenance projects which may involve erosion-control structures.
8. The District will publish a general notice in appropriate local newspapers to inform Landowners and Tenants of these policies.

RECEIVED

F-5-B

FEB 15 2012

BY: _____

2011 Natural Disaster Practice Damage Assessment Narrative for Adair County

Adair County SWCD is requesting assistance for damage incurred by a landowner during 2011. Currently, only this landowner has contacted the District Office for damage assistance on completed practices damaged in 2011.

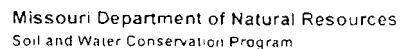
The landowner completed his DWC-01 practice in March 2009. Upon completion of the practice, excessive rains washed his critical area seeding away before it had a chance to get established. Therefore, erosion began on his spillway. At his own expense, the landowner replanted the critical area seeding.

During the quality review for the practice, the Technician advised the landowner to repair the spillway erosion. Again, at his own expense, the landowner paid a contractor to repair the damage to the spillway and replanted the critical area seeding.

On June 25th and June 26th, the county was hit with a severe storm which brought between 3 to 5 inches of rain and winds in excess of 60 miles per hour for several hours. After the storm, the landowner noticed the spillway had once again been eroded. This time was more severe than before. He notified our office for assistance with this project. At that time, no assistance was available.

When the landowner came into the office in January to discuss Cost Share, he again asked what could be done to repair and maintain his practice. Two technicians visited the site and recommended either repairing the current spillway or relocating the spillway. Both agreed relocating the spillway would be a much better choice due to the slope differential.

The estimated cost includes 1 ½ days of machine work to create the new spillway and fill-in the current spillway using a dozer and scraper. It also includes a critical area seeding for .1 of an acre. Upon approval for funding, the landowner intends to complete the work before the end of June 30, 2012.



2011 Natural Disaster Practice Damage Assessment

Please submit with distinct narrative by September 1, 2015

Adair SWCD

Has your district been declared a federal disaster area?

☒ YesPage 1 of 2




2011 Natural Disaster Practice Damage Assessment

Please submit with district narrative by September 1, 2011

Adair SWCD

Has your district been declared a federal disaster area? ☐ Yes

	Make selection	S
	Make selection	S

Board Member Signature _____

Date _____